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## Japan Gives Clinton Its Full Support On Security

By Alison Mitchell  
New York Times Service

TOKYO — Despite the anti-American furor set off by the rape of a 12-year-old girl by three U.S. servicemen last fall, President Bill Clinton on Wednesday won from Japan a far-reaching endorsement of the regional U.S. military presence as "essential for preserving peace and stability" in the Asia-Pacific.

In a joint declaration prepared for signing Wednesday by both Mr. Clinton and Prime Minister Ryutaro Hashimoto, the two leaders are to affirm that the relationship between America and Japan "remains the cornerstone for achieving common security objectives and maintaining a stable and prosperous environment" in Asia.

The declaration states that the United States has determined that it will need to maintain its current force structure of 100,000 troops in the region, "including about the current level in Japan."

W. Anthony Lake, Mr. Clinton's national security adviser, said the inclusion of the numbers in the document signaled their specific endorsement by Japan.

The declaration also incorporated the ambitious plan, struck by the United States and Japan on the eve of Mr. Clinton's state visit, to return an air



Mr. Clinton wearing a glove autographed by Dodger pitcher Hideo Nomo and given to him by Mr. Hashimoto.

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## Angry Britain Rejects Mass Slaughter of Cattle

By Erik Ipsen  
International Herald Tribune

LONDON — Buoyed by signs of rising consumer confidence in the safety of British cattle, the government defiantly ruled out Tuesday any mass slaughter and said it would challenge the "European Union's" four-week-old ban on British beef exports in the European Court of Justice.

Calling the ban "totally unjustified," Prime Minister John Major said that even the EU's agriculture commissioner has admitted he had no qualms about

eating British beef. The ban, Mr. Major charged, is "more motivated by the interests of other countries' own beef markets than it is about public health."

In Europe fears aroused by "mad cow" disease in Britain have led to a steep decline in beef consumption. At its worst, beef sales on the Continent have been off by a third.

But Britain's agriculture minister, Douglas Hogg, told the Commons on Tuesday that there were clear signs of rising consumer confidence.

He cited statistics showing that beef consumption in Britain is just 15 percent

below what he called "precrisis" levels after a drop of more than 80 percent in sales a few weeks ago.

Although the EU agriculture commissioner, Franz Fischler, said during the weekend that he would not hesitate to eat British beef, the European Commission again rejected Monday an early lifting of the March 27 ban.

Mr. Hogg also denied that the government would seek a mass slaughter of cattle from infected herds, perhaps reaching into the millions of animals, as a means of eradicating "mad cow" disease.

"The government has no intention of adopting any such mass slaughter," he said. Instead, he continued, the number of animals slaughtered would likely be in the "low tens of thousands."

While the government's defiance represented a shift in its approach to the crisis, some experts pointed out that Britain continues to support European Union plans for the destruction of cattle over the age of 30 months at the end of their productive lives.

That program alone could cost several

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## Seoul's Acceptance Eases Way on Talks

### China Offers Encouragement, But North Has Yet to Respond

By Andrew Pollack  
New York Times Service

CHEJU ISLAND, South Korea — With their proposal Tuesday for peace talks with North Korea, President Bill Clinton and his South Korean counterpart, Kim Young Sam, have broken new ground and raised a spark of hope that the last front of the Cold War will finally see what Mr. Clinton called "an ultimate reconciliation."

Such hopes have tantalized in the past only to be dashed, so people in South Korea are greeting the announcement with caution. Still, U.S. and South Korean officials say that a constellation of factors — the economic troubles and famine in North Korea and election year politics in the United States and South Korea — make this a propitious time to try again to achieve the elusive peace that would formally end the Korean War.

The two leaders, after a brief meeting Tuesday morning on this resort island, publicly invited North Korea to take part in peace talks involving four countries — the two Koreas, the United States and China. The talks would begin as soon as possible and without preconditions.

"North Korea has said it wants peace," President Clinton said at a press conference with President Kim. "This is our proposal to achieve it. And we hope and expect Pyongyang will take it seriously."

China responded positively to the proposal. "Being a signatory to the armistice agreement, China is willing to play its due constructive role," said the Chinese Foreign Ministry spokesman, Shao Guofang. "Recently, tension has arisen in the peninsula. Therefore, all parties concerned, including the neighboring nations of the peninsula, should work jointly to preserve peace and stability there."

The immediate significance of the new proposal is that in agreeing to four-way talks, South Korea has relaxed its insistence that any peace treaty be negotiated only by the two Koreas.

"The South Korean position is showing more flexibility than in the past," said Lee Jong Suk, a North Korea expert at the Sejong Institute, a private research

organization in Seoul. "So even if North Korea rejects the proposal, the possibility of future negotiations is now open and in this sense it is a breakthrough."

But Moon Chung In, a professor of political science at Yonsei University, said the proposal has "no real impact, only symbolic impact."

Turning even a symbolic advance into an actual peace treaty will be difficult. It is still not known whether North Korea, which was informed of the proposal in advance, will accept it.

Istar-Tass, the Russian news agency, quoted North Korea's ambassador to Moscow, Song Sung Pil, as saying North Korea would reject the offer and insist on talks only with Washington, according to Japan's Kyodo news agency.

"At present, other countries have nothing to do in the sphere and there is no necessity to hold an international conference on that issue," the ambassador said, Istar-Tass reported.

Even if the Communist nation does accept the proposal, negotiations no doubt will be arduous, as were the 1994 talks over ending Pyongyang's nuclear weapons program. And even if an agreement is reached, there is no guarantee it will be honored.

Russia, which would be left out of the talks, has expressed an interest in having a role. South Korean officials said. Japan, meanwhile, expressed support for the proposal.

But U.S. and South Korean officials are gambling that Pyongyang will come to the table to help ease its economic woes, which include famine and factories being shuttered for lack of fuel.

"Time is on our side, and I think that this is perhaps the last chance that North Korea can make to resolve the Korean question," President Kim said. "And I believe that eventually North Korea will accept our proposal."

A peace treaty would clear the way for increased economic ties for North Korea with South Korea and the United States. But even before a treaty would be signed, Washington and Seoul said, they would consider interim "confidence-building measures." These could

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## Lebanon Gets U.S. Plan As Israel Presses Raids

By Serge Schmemmann  
New York Times Service

JERUSALEM — The United States, working to broker a new cease-fire agreement in southern Lebanon, handed the Lebanese government an initial proposal Tuesday that reportedly called on Lebanon and Syria to curb Hezbollah guerrillas in exchange for a possible Israeli pullout from its buffer zone in nine months.

The plan met with initial skepticism from the Lebanese prime minister, but intensive contacts continued among Israeli, Lebanese, Syrian and American officials, along with ancillary mediating attempts by the French and Jordanians.

There was no immediate indication when a cease-fire could be reached, but Israeli officials declared that their military operations, code-named "Grapes of Wrath," would continue unabated in parallel with the diplomatic efforts.

The sixth day of the assault was marked by ever more Israeli air and

artillery assaults, halted only for a two-minute pause in the morning to mark Holocaust Memorial Day. Israeli planes rocketed the home of a Palestinian guerrilla leader in a refugee camp and a purported Hezbollah installation in Beirut.

From their side, the Shiite guerrillas continued to send volleys of Katyusha rockets into northern Israel. Officials said 70 Katyushas landed inside Israel, the largest number to date.

The fighting has taken about 30 Lebanese lives. No Israelis have been killed.

According to Lebanese and Israeli reports, the initial proposal, which was handed to the Lebanese government by the U.S. ambassador to Beirut, Richard Jones, listed several demands that essentially reflected the Israeli position.

These included an end to Katyusha rocket attacks on northern Israel and Lebanese guarantees for the security of

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## What's in Russian Mountain?

### Mammoth Military Project in Urals Puzzles Analysts

By Michael R. Gordon  
New York Times Service

MOSCOW — In a secret project reminiscent of the chilliest days of the Cold War, Russia is building a mammoth underground military complex in the Ural Mountains, Western officials and Russian witnesses say.

Hidden inside Yamantau mountain in the Beloretsk area of the southern Urals,

the project involves the creation of a huge complex, served by a railroad, a highway and thousands of workers.

The project, some Russian officials say, was begun during the era of Leonid I. Brezhnev, when the Soviet Union was locked in an arms race with the United States, the Communist Party ruled the country and the military budget seemingly knew no bounds.

Russia's decision to proceed with the costly venture underscores the continuing influence of the military while the government is struggling to pay back wages to its workers and to cope with a growing budget deficit.

The construction of the project, which has been observed by U.S. spy satellites, mystifies American specialists, who speculate that it may be anything from an underground nuclear command post to a weapons production plant.

But while there is uncertainty over the purpose of the project, it has already become a politically delicate issue for the Clinton administration.

The United States is spending hun-

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LIBERIAN BATTLE — Faction fighters dragging a wounded man out of the line of fire Tuesday in Monrovia as the struggle over a barracks loaded with thousands of captives intensified. Page 6.

Dow Jones	Trib Index
Up 27.10 5520.02	Up 0.13% 135.29
The Dollar	Tues. close previous close
DM	1.5101 1.5133
Pound	1.5078 1.5078
Yen	108.225 108.556
FF	5.1243 5.1335

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## AGENDA

### Stavros Niarchos Is Dead at 86

ATHENS (AFP) — Stavros Niarchos, 86, once undisputed king of the Greek shipowners and pioneer of the supertanker, died Monday in Switzerland after a long illness, shipping sources said Tuesday.

Mr. Niarchos, whose personal fortune of \$4 billion dollars put him among the richest men in the world, was for years the great rival of another Greek shipping magnate, Aristotle Onassis.

After attending Athens University, he joined the family business and bought his first ship at the age of 26.

While honorary naval attaché with the Greek legation in Washington from 1944 to 1948, he had the idea of buying up surplus American liberty ships used during World War II.

Mr. Niarchos was married four times and had three sons and two daughters.

### Bordeaux and Bayern Enter UEFA Finals

Didier Tholot scored a minute into the second half to give Bordeaux a 1-0 victory over Slavia of Prague in the second leg of the UEFA Cup semifinals Tuesday. Bordeaux won the first leg, 1-0, in the Czech Republic two weeks ago.

In the other semifinal, in Barcelona, Bayern Munich beat FC Barcelona, 2-1, to win on a 4-3 goal aggregate. Bayern will play Bordeaux in the two-leg final on May 1 and May 15. (AP)

## Down a Beijing Alley, Meals Fit for an Empress

By Keith B. Richburg  
Washington Post Service

BEIJING — The setting could hardly be less imperial — a couple of round tables in a tiny, nondescript house on a little alleyway called Sheep House Lane. But if the exotic dishes on the menu convey a certain regal flavor, it is because the recipes truly can be called fit for a king. Or, in this case, an empress.

You might say that Li Shan-lin, 75, is preserving history through cooking.

It all started with Mr. Li's grandfather, Li Sun Qing, who was the chief guardian in the empress dowager's imperial court during the Ching dynasty. Mr. Li was only 10 when his grandfather died, but he recalls the old man's tales of an era now mostly

forgotten, its relics swept away on China's tide of 20th-century revolution.

For 30 years, as commander in chief of the palace guard inside the Forbidden City, it was Li Sun Qing's job to watch over the imperial kitchen. Each day he sent guards to observe the preparation of the food, and eunuchs to taste all the meals for the empress, to avert any poisoning attempt.

The empress made many enemies, but she was never poisoned. She died naturally enough, of dysentery, after a last binge of crab apples and cream. Li Sun Qing, from his days supervising the cooking staff, learned by heart over three decades the most intricate and exotic dishes served for the imperial meals.

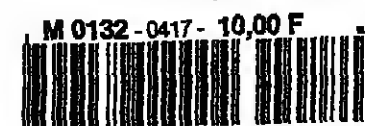
China's revolution of 1912 and the Communist takeover 37 years later erased most traces of the old

Ching dynasty — but not the culinary one. Li Sun Qing passed along all the recipes to his son, who in turn passed them along to Li Shan-lin. Mr. Li's children have now taken up the cooking, the latest generation to save the ancient recipes from extinction.

The Li family restaurant, serving Chinese court cuisine, is about as far from the ornate banquet halls of the Forbidden City as one can imagine. The "restaurant" is actually the family home. There are just two tables, in separate rooms, and the entire place can seat a maximum of 22.

It has become one of the most popular restaurants in town, with reservations running weeks in advance. A typical day might see the staff of the Japanese

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## Russian Orthodoxy's Identity / Too Cozy With the Kremlin?

## A Church's Painful Revival

By Lee Hockstader  
Washington Post Service

MOSCOW — In the old days, President Boris N. Yeltsin was a member in good standing of a Communist Party leadership that embraced official atheism.

But on Orthodox Easter, last Sunday, Mr. Yeltsin's motorcade sped through the city to make it on time for services at the huge, gold-domed Cathedral of Christ the Savior.

Rising not far from the Kremlin on the banks of the Moscow River, the hulking, \$300 million cathedral is the St. Peter's of Russian Orthodoxy and the latest and most colossal symbol of the rebirth of the church.

But the glory and awe of the shiny new cathedral — being built at breakneck speed to replace one destroyed by Stalin — masks a battle for the soul of the Russian Orthodox Church.

As it emerges disoriented from seven decades of communism, the church, like Russian society as a whole, has shrugged off the institutional bonds of the Soviet era. But its new habits, including its cozy relations with the Kremlin and the often chauvinistic tones of church pronouncements, are raising questions about Russian Orthodoxy's direction.

"Today the Orthodox Church is like a person who was beaten for a long time and is only now beginning to walk on crutches," said Andrei Kurayev, a church deacon and professor. "Of course, not all our steps are graceful. Many are false moves and even somersaults."

"There will be a rebirth, but it may take 50 years or more."

Build by the czars in the 19th century, the Cathedral of Christ the Savior was blown up by Stalin in 1931. Among other things, he hated that it was taller than the Kremlin towers. After World War II, one of the world's largest outdoor swimming pools was built on its site.

Alexei II, patriarch of Moscow and all Russia, who celebrated services with Mr. Yeltsin, Alexander Solzhenitsyn and dozens of other dignitaries in attendance, has hailed the speedy reconstruction of the cathedral as a miracle. Mr. Yeltsin has declared that the achievement means "Russia will be revived like this church."

Yet the cathedral's real champion is not the patriarch but the politically ambitious mayor of Moscow, Yuri Luzhkov. Mr. Luzhkov insists the money for the building comes exclusively from private donors, but it is widely believed that government money has also been secretly channeled to the cathedral.

If so, the cathedral also represents

what critics say are the Orthodox Church's role as a handmaiden to the government and its focus on status and awe rather than good deeds and moral teaching.

"The cathedral is a symbol that the state wants to include the Orthodoxy as part of its new ideology," said Alexander Kyrlezhnev, a religious scholar and Orthodox member. "It means that the church is not a community of Christians, not a social or public force, not a moral force but a religious mystery and a symbol of statehood as it was in the old Russian Empire."

The church's identity crisis comes after a remarkable period of growth and enthusiasm for Russian Orthodoxy, which for years was repressed, co-opted and tightly controlled by the

priests who have expressed ecumenical ideas. Early this year, one popular priest was removed from his job at a church-sponsored university for suggesting on the radio that Catholic saints are as legitimate as Orthodox ones.

Most distressing to critics, the church has signaled its tolerance, if not outright support, for Russia's war in Chechnya. Patriarch Alexei has urged young men to serve in the army and has said little about civilian casualties.

In the church's support for the Kremlin, some critics see a tradition left over not only from Soviet times but from Imperial Russia, when Orthodoxy was a state religion whose authority was closely tied to that of the czars.

"Alexei always supports the gov-

**The Orthodox Church is like a person who was beaten for a long time and is only now beginning to walk on crutches. Of course, not all our steps are graceful. Many are false moves and even somersaults.**

Soviet security apparatus. As Soviet authorities relaxed their iron grip on religion at the turn of the decade, millions of Russians thronged to parish churches. One poll found that nearly one-third of young Russians embraced Christianity between 1988 and 1993.

Thousands of churches were opened, renovated or returned by the state to Orthodox authorities, and dozens of seminaries and theological centers were founded. After seven decades of state-mandated atheism, Russia seemed caught up in a wide spiritual rebirth.

Today, however, attendance at Sunday services has slowed. Some prominent voices in the church speak of a coming crisis. Increasingly, despite the generally moderate voice of Patriarch Alexei, the church seems prone to the same strain of nationalism that has affected Russian politicians of nearly every stripe.

Instead of providing spiritual leadership or filling the ideological void left by communism's collapse, critics say, the church has embraced the notion of Russia's great-power destiny. While Patriarch Alexei has rejected the idea of Orthodoxy becoming an official state religion, he has said it "cannot stand aloof from the processes to strengthen Russian statehood."

The church has portrayed itself as under siege from mostly Protestant missionaries and their aggressive proselytizing, and it has appealed to politicians for legislation that would give the Orthodox Church a leg up in the spiritual sweepstakes.

The hierarchy has also disciplined

ment because the church in Russia has no other experience," said Mr. Kyrlezhnev, the religious scholar.

"The only way they know to maintain influence with the powers that be is always to back the government," he said. "When perestroika, political restructuring, started, Russian society had a guilt complex about the church and even many nonbelievers saw the church as a repository of truth and morality. But the myth has been punctured. It's clear to everyone that the church does not teach morality."

From a Western religious point of view, at least, that is almost literally true. Sunday sermons, Bible discussion groups and church-sponsored charitable groups are not part of the Orthodox tradition in Russia. For centuries before Soviet rule, the church focused much more on the mystery and aura of its rituals than on any code of social behavior.

**W**HEN the church does try to offer a guide to morality, it is often ignored. "Priests don't preach against stealing because they understand they'll be laughed at," said Yakov Krotov, a writer on church issues. "No one will hear, no one will listen."

A handful of reformist priests has tried to change that. One of them is Georgi Kotchetkov, a dynamic preacher who shook up the church and tried to modernize it, celebrating services in Russian rather than Old Church Slavonic, an ancient language unintelligible to all but specialists.

When word of this break with tra-



Patriarch Alexei at the Cathedral of Christ the Savior in Moscow.

dition reached Moscow, Father Kotchetkov was accused of being a Protestant, a Jew and a KGB agent.

Mr. Kotchetkov and others have not only Russified the liturgy but also focused more on the substance of Christian teaching than on Orthodoxy as a unifying national idea. They have set up Bible study groups, theology classes and other activities to draw parishioners into the church as more active participants.

"I'm trying to build a bridge from the Communist past to modern times," said Father Kotchetkov, 45. "This is a real spiritual struggle and it's hard to predict who will win."

The reformers have received a frosty reception from the mainstream church. Father Kotchetkov, who moved to Moscow, was forced out of one church by the hierarchy. He said he received a new church assignment only through help from Orthodox believers overseas who sent cables and petitions to the patriarch.

Critics of the Orthodox church's present leadership also point to its close

relations with the Kremlin. Mr. Yeltsin rarely misses an opportunity to appear in the company of Patriarch Alexei, and he recently gave the clergyman a warm of offices inside the Kremlin. Earlier this month, in his first presidential campaign swing, Mr. Yeltsin made a point of stopping off at a church in southwestern Russia, where he proclaimed, "By reviving the spirit, we revive Russia."

Not to be outdone, his Communist rival for the presidency, Gennadi Zyuganov, has tried to shed the party's decades-long image as the church's main tormentor. The party has dropped its official atheism and said it would be aggressive in keeping foreign missionaries out.

"Every place I go, I meet with the local bishops of the Russian Orthodox Church who understand and support me," Mr. Zyuganov declared last fall.

A politician who doesn't understand what a colossal and unique role the Orthodox religion has played," he said, "doesn't understand Russia and cannot lead Russia out of its crisis."

## Inquiry Faults U.S. on Arms To Bosnia, but Sees No Crime

By Ann Devroy  
Washington Post Service

WASHINGTON — An internal investigation into the Clinton administration's policy of tolerance toward other countries' covert weapons shipments to the Bosnian Muslims in 1994 found that the U.S. policy was so secretive and unclear that it created the impression in the region, and even among U.S. officials, that the United States was facilitating or running a clandestine operation.

But the top-secret inquiry supported the White House with a politically crucial conclusion that, despite the appearance, the United States was not directly involved in arming the Muslims and thus did not engage in an illegal covert operation.

The investigation, conducted by the Intelligence Oversight Board from December 1994 until May 1995, was critical of the Clinton administration for failing to keep the CIA aware of the policy and for failing to get legal rulings earlier to support its position.

The inquiry found that in two instances, senior U.S. diplomats intervened with Croatian officials in ways that Croatia interpreted as demonstrating active support for the weapons flow, contrary to stated U.S. support for an international arms embargo on Bosnia.

Nevertheless, the White House is using the finding that there was no illegal covert operation to defend itself against an election-year barrage of Republican criticism over revelations that Iran was a principal source of arms for the Bosnian Muslims in 1994 and that the United States adopted a deliberate policy of looking the other way.

The controversy erupted two weeks ago with the disclosure that President Bill Clinton had personally approved sending a diplomatic message to Croatia in April 1994 that amounted to a "green light" from Washington to allow weapons shipments from Iran to go through Croatia.

The policy of tacit acceptance of the Iranian arms supply has been publicly known for a year, but after the newly detailed revelations Republican leaders in Congress called for hearings.

The current controversy has focused on whether the administration's policy helped Tehran to establish a foothold in Bosnia-Herzegovina and has not directly dealt with reports that the United States tacitly accepted or even actively aided efforts by Saudi Arabia, Turkey and others to provide arms to the Muslims.

The United States has repeatedly denied active participation in such reported efforts, but French and other European officials have made it clear that they do not believe the disclaimers.

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## Arthur J. Lelyveld Dies at 83, A Leader of Reform Judaism

New York Times Service  
Rabbi Arthur J. Lelyveld, 83, a leader of Reform Judaism who was active in social causes, died Monday at a nursing home in Beachwood, Ohio, near Cleveland, where he lived. He suffered a brain tumor several months ago.

Throughout his decades at the head of one of the nation's largest Reform congregations and as a leader of some of the country's major Jewish organizations, Rabbi Lelyveld backed his speech with action.

"Our movement, the Re-

form Jewish movement, has always put a strong emphasis on social activism," he said. "The whole thrust of our tradition is a concern for social welfare."

For Rabbi Lelyveld, that included fostering closer relations between blacks and Jews. He was beaten by white segregationists in 1964 while helping to register black voters in Mississippi.

Among his many posts, Rabbi Lelyveld was president of the American Jewish Congress, a 50,000-member organization, from 1966 to 1972. He was also at various times president of the Central Conference of American Rabbis, an association of Reform rabbis in the United States and Canada, and of the Synagogue Council of America.

A son, Joseph Lelyveld, is executive editor of the New York Times.

As a Reform rabbi, Rabbi Lelyveld sought common purpose with the Conservative and Orthodox branches of Judaism.

## George Brown, Scottish Writer

New York Times Service  
George Mackay Brown, 74, a poet, novelist and short-story writer whose work evoked the rugged life and the history and culture of the remote Orkney Islands in Scotland, died Saturday in a hospital in Kirkwall in the Orkneys.

Writing in the British magazine *The Listener*, Seamus Heaney said that Mr. Brown's "imagination" is "stirred by legends of the Viking warrior and Christian saint," and added, "It consecrates the visible survivals of history, and ruins of time, into altars that are decked with the writings themselves."

William K. Everson, 67, a film historian, teacher, and preservationist whose extensive film archive helped educate many critics and filmmakers, died Sunday at his apartment in New York.

## TRAVEL UPDATE

## Airport Delays Opening Of Düsseldorf Terminal

DUSSELDORF — Officials at Düsseldorf International Airport postponed Tuesday the planned reopening of passenger terminals that were shut after 16 people died last week in a fire that speeded deadly fumes.

An airport spokeswoman said clean-up and repair work had not progressed quickly enough for a reopening Wednesday of the terminal farthest from the blaze. She said the terminal had not yet been tested for residue of toxic chemicals released by the fire. State officials suggested that some buildings may have to be razed.

Investigators believe that the fire last Thursday was started when three welders ignited a false floor containing electrical wiring in one of the three terminals at the airport. Germany's second-biggest, plastic-covered cables began to smolder, emitting poisonous fumes that were sucked through the building by ventilation shafts. (Reuters)

## Japan Tunnels Shaky

TOKYO — Nearly 400 road tunnels throughout Japan need repairs to ensure safety, the government said in an emergency survey released Tuesday. The survey was conducted by the Construction Ministry following a tunnel collapse that killed 20 people in northern Japan in February.

In the Feb. 10 cave-in, a boulder the size of a 12-story building plunged from a mountainside through the roof of a road tunnel on the northern island of Hokkaido, 885 kilometers (550 miles) north of Tokyo. (AP)

## Danish Palace Restored

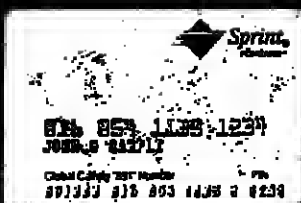
COPENHAGEN — Denmark said Tuesday that restoration of the Christian VII. Palace, built between 1749 and 1754 and named after King Christian VII, had been completed officially.

The palace, at Amalienborg Square, will be open to the public from mid-May to September. The royal family will use the restored palace for official receptions and as quarters for distinguished guests. Seventeen million kroner (\$2.9 million) of the 140 million kroner cost came from private donations. (AFP)

All trans-Atlantic flights operated by American Airlines — 238 a week — will become nonstop on June 1, the company announced Tuesday. Smoking also will be banned on all flights between the United States and the Caribbean. The company said it was responding to requests from the majority of its passengers. (IHT)

A cholera epidemic has broken out again in Lusaka, the Zambian capital, a month after it was contained. Health Ministry officials said Tuesday. About 30 people, mostly from poor suburbs, have been admitted to hospitals, officials said. (AFP)

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Armenia	8-10-155	El Salvador	800-1774	Luxembourg	000-0115	South Africa ♦	0-800-99-0001
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Belize (local)	556	India ♦	800-1377	Nicaragua (Managua)	171	U.S. Virgin Islands	1-800-877-8000
Belize (all other)	812	Hungary ♦	008-001-877	Norway ♦	000-1977	U.S.A.	1-800-877-8000
Bermuda ♦	1-800-623-0877	Indonesia ♦♦	800-0003	Paraguay	113	United Arab Emirates ♦	1-800-877-8000
Bhutan	800-323	Indonesia (Jakarta)	001-801-38	Peru	176	United Kingdom (BT)	0044-39-3677
Brazil	020-3014	Indonesia (Semarang)	008-801-15	Philippines (PhilCen) ♦	108-16	United Kingdom (Mercury)	8550-89-0877
British Virgin Islands	1-800-877-8000	Ireland ♦	1-800-223-3001	Philippines (PLDT)	102-411	Uruguay	000417
Bulgaria ♦	00-800-1010	Israel ♦	177-102-2737	Poland ♦	00-800-11-3115	Vietnam	172-1877
Canada	1-800-877-8000	Italy ♦	172-1877	Portugal ♦	0017-1-477	Vietnam (cellular)	800-1111-0
Cayman Islands	1-800-366-4663	Jordan (Amman)	875	Puerto Rico	1-800-877-8000		
Chile	009-0317	Japan (Tokyo)	5	Romania ♦	01-900-0877		
China	100-13	Japan (Kobe)	066-55-877	Russia (Moscow) ♦	135-6123		
Colombia	080-120-010	Japan (Osaka)	020-121	Russia (all other) ♦	1099-155-6123		
Costa Rica ♦	0050-0013-0123	Japan (Sapporo)	18-800-777	Saudi Arabia (all other) ♦	1-800-877-8000		
Croatia ♦	99-385-0113	Jordan	0080-12	Senegal (all other) ♦	1-225-0000		
Cyprus ♦	080-000-01	Kazakhstan	0029-13	Singapore	235-0233		
Czech Republic ♦	0042-087-187	Korea (Daejeon) ♦	0029-13				

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## THE AMERICAS

# House Kills Push for Tax Amendment

Plan Aimed to Limit All Federal Increases

By Adam Clymer  
New York Times Service

WASHINGTON — Rejecting the symbolism of an anti-tax vote on the day many Americans filed tax returns, the House of Representatives has defeated a proposed constitutional amendment to require two-thirds majorities in both houses of Congress before federal taxes could be raised.

The vote was 243 in favor to 177, 37 short of the two-thirds required to propose amendments to the Constitution. Two hundred and nineteen Republicans and 24 Democrats voted for the amendment, while 16 Republicans joined 16 Democrats and one independent to oppose it.

Opponents rallied behind the argument that Republicans were trying to score political points by rushing the measure to a vote on Monday, without a committee hearing.

Representative Joseph Moakley of Massachusetts said: "Today's bill is showboating. The American people deserve more from their Congress. Amending the Constitution is very serious business, and we should at least know what we are doing."

Disagreeing, Representative Bill Archer, Republican of Texas and chairman of the Ways and Means Committee, which writes tax bills, said the measure recognized the simple fact that "taxes in this country are too high."

He said, "It's time to tilt tax and spend decisions in favor of working Americans."

But one of the very few Republicans to speak against the proposal, Representative Nancy L. Johnson of Connecticut, argued that even though she opposed tax increases, it would be wrong to look that view into the Constitution. "Leave each generation free to establish that balance between taxing and spending that they believe is in their interests," she said. "To appropriate and to tax — that is democracy, and I'm for it."

Under the amendment, the approval of two-thirds of each house would have been needed to adopt any tax bill that, on balance, would increase the amount of money for the federal government. Some taxes could have been increased with only simple majorities as long as others were cut and, on balance, taxes dropped or stayed the same.

Mr. Archer had insisted on that approach because it would permit him to propose an elimination of the income tax and its replacement with some variety of tax on consumption. Then he could have sought to have it passed by only a simple majority.

The Rules Committee approved Mr. Archer's change just before the House adjourned for its spring break.

The original proposal for making it harder to raise taxes came from Representative Joe L. Barton of Texas, a Judiciary subcommittee held one hearing on the plan last month, but did not vote on it. That proposal would have required approval by two-thirds of both houses for any bill that increased any tax rates or created any new kind of tax.

Advocates of the proposed amendment hailed it as a serious measure to solve a serious problem. Representative Bill Goodling, Republican of Pennsylvania, said it was needed to "make sure that we stop spending more than we take in."

Representative Scott McInnis, Republican of Colorado, said it would not prevent higher taxes but would make them more difficult to enact by putting "a speed bump in front of politicians."

Representative Pete Geren of Texas, one of the few Democrats to back the amendment, said: "Higher taxes mean lower growth. Lower taxes mean higher growth." He called the amendment "a blunt instrument," adding, "It's unfortunate that it is necessary, but it is necessary."

Representative Barney Frank, Democrat of Massachusetts, said the proposal "really shows a fundamental disrespect for democracy," and most other Democrats agreed. He said it would make it harder to eliminate tax loopholes or raise Social Security taxes if a majority considered that necessary.

Representative Sam M. Gibbons, Democrat of Florida, said, "Everybody in this chamber and within the sound of my voice knows what we are doing today is show biz — not very good show biz, but show biz."

He asserted that taxes in the United States were lower than in any other industrialized nation.



RECKONING DAY — Postal workers in Merrifield, Virginia, taking tax returns at the curb on the filing deadline.

## POLITICAL NOTES

## Better for Your Kids?

PITTSBURGH — Senator Bob Dole has offered a novel reason to vote for him for president: He said he would be a better guardian for children than Bill Clinton.

Suggesting he would be more trustworthy than the president, Mr. Dole on Monday told a rally in Havertown, a Philadelphia suburb, "If something happened along the route and you had to leave your children with Bob Dole or Bill Clinton, I think you'd probably leave your children with Bob Dole."

The 72-year-old Kansas senator made trust a theme in several appearances, arguing that Republicans would ease the burden of government. "It all boils down to who do you trust?" he said. "We believe in basic American values — honesty, decency, self-reliance, responsibility — and that's what this race is all about. It's about the future. It's about the young people in the band."

Along those same lines, Mr. Dole said at a rally of about 200 people here that Americans could trust him to keep his promises — the same ones that Mr. Clinton promised in 1992 but failed to keep, including cutting taxes, balancing the budget and overhauling welfare. But in a remark that might puzzle

voters who are trying to distinguish the candidates from each other, Mr. Dole added: "You've got to elect me president in 1996 so I can keep his promises from 1992."

Mr. Dole portrayed the Republicans as the party that would cut taxes, strip regulations and allow businesses to prosper. He promised voters here that he would repeal the jet-fuel tax, which was part of Mr. Clinton's 1993 tax bill and hurts Pittsburgh, whose major airport is a major connection point for USAir.

## Dole's Release Return

WASHINGTON — Bob Dole and his wife, Elizabeth, paid \$136,848 in federal income taxes last year on income of \$583,869, according to a copy of their tax return that Mr. Dole's campaign released.

That amounted to 23.4 percent of their total income, about the same as the 23.8 percent President Bill Clinton and Hillary Rodham Clinton paid on their joint income of \$316,074.

The Doles reported donating \$57,603, about 10 percent of their income, to charity, most of it to the Red Cross. The Clintons gave about 9.6 percent of their joint income to charity.

The Doles were entitled to a

\$34,817 refund, most of which they applied to this year's taxes.

Most of the couple's income came from Mrs. Dole's job as head of the American Red Cross, and her investments and speaking fees.

The senator reported earning \$149,326 from his job as majority leader of the Senate, and \$18,660 in tax-free income from army disability pay.

Mrs. Dole collected \$175,666 from the Red Cross through October, when she went on leave to campaign for her husband. She reported making \$99,638 in income from speaking appearances and \$112,405 in capital gains.

Mrs. Dole reported making a \$49,120 contribution from her speaking fees to a retirement account. In 1994, the Doles reported a total income of \$558,056 and paid \$155,855 in federal income taxes.

## Quote/Unquote

Nancy Woodhull, vice president of Freedom Forum, a nonpartisan foundation dedicated to a free press, education, research and training: "A free press in a democracy should reflect all its voices. None should be invisible. The press needs to focus on this trend toward the invisibility of women and their concerns."

# Negotiators in Accord On U.S. Terrorism Bill

White House Fails to Win All It Wants

By Helen Dewar  
Washington Post Service

WASHINGTON — House and Senate negotiators have agreed on a bill that would give President Bill Clinton some but not all of the legal tools he sought to fight terrorism.

The agreement was announced Monday by Republican leaders at a news conference attended by families of victims of the bombing last year of the Alfred P. Murrah Federal Building in Oklahoma City. The bill includes unprecedented curbs on appeals by death row inmates in all criminal cases.

The bill will be submitted to the House and Senate for final agreement this week so it can go to the president by Friday, the first anniversary of the Oklahoma City bombing. The bombing, which killed 168 people, prompted Mr. Clinton's push for terrorism legislation. Aides to Mr. Clinton said he would sign the bill despite Congress's refusal to give the government expanded wiretap authority and to allow the use of chemical tracing elements in explosives to make them easier to track.

The bill — a compromise between a Senate version embraced by Mr. Clinton and a weaker House measure he denounced — would give the government new authority to exclude or deport suspected foreign terrorists and would bar organizations with terrorist links from raising money in the United States. It provides \$1 billion over four years to help federal and state governments combat terrorism.

But it does not include an expanded wiretap authority sought by the administration to keep track of suspects who use multiple cellular telephones, which would have allowed taps to be placed against an individual rather than a specific telephone.

It would require that tracing agents be added to plastic explosives, but seeks only to study whether the so-called taggants should be required for other explosive materials, such as the fertilizer used in the Oklahoma bombing.

Also rejected was the administration's proposal to let the military help in cases involving biological and chemical weapons; military aid is limited to cases involving nuclear weapons.

The provision on death row appeals, which Republicans were unable to pass in earlier crime bills, seeks to ensure that death sentences are carried out within two years of final action by state courts and to discourage what Republicans de-

scribed as "endless, frivolous and costly appeals." In most cases, inmates would be limited to one federal appeal, and deference would be given to state court rulings.

The bill "adds important tools to the government's fight against terrorism and does so in a temperate manner that is protective of civil liberties," said Senator Orrin G. Hatch, the Utah Republican who heads the Judiciary Committee.

But Representative Charles E. Schumer of New York, ranking Democrat on the House Judiciary subcommittee on crime, said he would introduce legislation for the wiretap provisions and other administration proposals left out of the compromise.

While he would probably vote for the bill as "better than nothing," he said, "it's sad that one year after the Oklahoma City bombing this Congress has to claw and scratch its way to a mediocre bill."

## Bomb Threat in Florida

The University of South Florida announced Monday that it would hold final examinations a week early at its main campus in Tampa in response to a letter threatening to blow up an administration building and kill a white female professor on Monday, April 29. The New York Times reported from Miami.

The threat came in a letter mailed to the campus newspaper on March 25 and is under investigation by the FBI, said Brian Kinsel, the bureau's spokesman in Tampa. Mr. Kinsel said the letter referred to the bombing of the Federal Building in Oklahoma City on April 19 last year, but the bureau has not determined whether the threat is credible.

Kathy Stafford, a university vice president, said the anniversary of the Oklahoma bombing, which has put law-enforcement officials around the country on alert for any signs of terrorism, was one reason for reacting to the letter.

In California, the FBI is investigating the bombing of a Labor Department employee's truck on Friday, just hours after his office got a call from a man who said, "Timothy McVeigh lives on," referring to one of the suspects in the Oklahoma bombing.

But the letter sent to the Florida university also referred to Ramadan Abdullah Shallah, a former adjunct professor of Middle Eastern politics who left the Tampa campus last year to become the leader of Islamic Jihad, a radical organization that has waged a terrorist war against Israel.

# Whitewater Flows On Senator D'Amato Acts to Revive Inquiry

By Helen Dewar  
Washington Post Service

WASHINGTON — Senator Alfonse M. D'Amato, Republican of New York and chairman of the banking committee, says he will move to revive the stalled Whitewater investigation under the auspices of that committee, raising the prospect of months of new hearings that could embarrass President Bill Clinton as he campaigns for re-election.

Mr. D'Amato, who also headed the special Whitewater investigating committee until its authority expired in February, said Monday that he would ask the banking panel to authorize its own investigation. He said the move was necessary because of "stonewalling" by Democrats over reviving the special committee.

Democrats, insisting on a guarantee that the investigation will not be continued beyond early June, have blocked the panel's reactivation.

The minority leader, Senator Thomas A. Daschle, Democrat of South Dakota, described the investigation as a "political witch hunt that has gone on for too long," but he conceded that Democrats cannot block the banking committee from taking over the investigation.

Unlike the full Senate, where a determined minority with 41 votes can block virtually anything, it takes only a simple majority to authorize banking committee action. Republicans control the panel, 9 to 7.

Mr. D'Amato's move followed weeks of fitful negotiations — and a gradual narrowing of differences — between key figures in both parties on terms for reauthorizing the long-running inquiry into the role of the president and his wife in the Whitewater land development project and its entanglement with a failed Arkansas savings and loan.

Under the D'Amato proposal, the

committee would be empowered to look into the activities of any Arkansas financial institution from 1978 to 1993 and to examine the Whitewater Development Corp., any relevant administration investigations, any "interference or obstruction" by the administration and all Whitewater-related activities of the Rose Law Firm in Little Rock, where Hillary Rodham Clinton was a partner.

## Former Clinton Aide Testifies

A former aide to Mr. Clinton when he was governor says he agreed to cooperate with Whitewater prosecutors because it was cheaper than fighting them in court. The Associated Press reported from Arkansas.

Stephen Smith devoted almost as much time on the stand Monday to the pressure he was under from prosecutors as to his testimony about an illegal loan that was used to pay a debt he shared with two Whitewater defendants.

Mr. Smith, now a communications professor at the University of Arkansas, said Whitewater prosecutors initially told him in 1994 that he was not a target of the investigation and interviewed him at length. Then a prosecutor called back. "He said his office intended to charge me with a felony," Mr. Smith said.

Pleading guilty to a lesser charge was a cheaper way out, he said. "The maximum penalty for a misdemeanor is \$1,000, which would have been considerably less than going to trial."

## Calling Convict Unfit For Trial, High Court Repeals Death Sentence

WASHINGTON — States must let criminal defendants avoid trials if it is more likely than not that they are mentally unfit, the Supreme Court ruled Tuesday as it overturned the murder conviction of an Oklahoma inmate.

Ruling unanimously, the justices said Oklahoma made it too hard for a convict to prove that he should not have stood trial because of mental incompetence.

Oklahoma law requires criminal defendants to prove by "clear and convincing evidence" that they are unable to take part in a trial in a meaningful way.

But the decision found that standard to be too stringent. Instead, the court said, criminal defendants must be allowed to avoid trials if they prove by "a preponderance of the evidence" that they are mentally unfit.

Oklahoma is one of only four states that imposed the clear-and-convincing standard. The others are Pennsylvania, Connecticut and Rhode Island. Most states and all federal courts use the standard called for by the Supreme Court.

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## Away From Politics

• Texas officials said Tuesday that an outbreak of the Ebola virus in monkeys at a breeding facility in Alice posed no threat to humans.

Health officials quarantined the facility, which houses 5,000 monkeys used mostly for medical research. A strain of the disease was found in two of them.

• Two Marines who refused to give a mandatory blood sample for a DNA registry said they feared the "genetic dog tags" would be used for more than identifying servicemen's remains. Corporal John C. Mayfield 3d and Corporal Joseph Vlacovsky will be court-martialed.

• Women make up 52 percent of the U.S. population but were involved in only 15 percent of front-page newspaper stories in 1995, according to a survey sponsored by Women, Men and Media.

Men also dominated local and business pages, the report said. The figure for women in last year's survey was 19 percent.

• A legal group founded by the National Rifle Association gave \$20,000 for the defense of Bernard Goetz, who is being sued in New York by a man who was left paralyzed after Mr. Goetz shot him in a Manhattan subway 12 years ago.







## EUROPE

## London to Roll Out the Century With a Big Wheel

By John Darnton  
New York Times Service

LONDON — Deciding to roll in the millennium in a big way, London is preparing to build a 500-foot-tall Ferris wheel — the largest in the world — that would rotate continuously on the south bank of the Thames and provide nearly 1,400 presumably onanophobic riders with spectacular views of the city's landmarks.

The plan calls for the giant wheel to be up for only five years, from 1998 to 2002, although historians might point out that the Eiffel Tower, designed for the International Exposition of 1889, was theo-

retically also a temporary structure.

The project is not for the aesthetic purist who might prefer the more classical lines of Charles Barry's Westminster clock tower that houses Big Ben (320 feet or 97 meters tall) or Christopher Wren's dome crowning St. Paul's (384 feet, 117 meters) or even Horace Jones's garish but distinctive Tower Bridge (a mere 120 feet, 36 meters).

But it will offer what the others lack — a central vantage point from which to survey them and all of London. In fact, a passenger perched at the top would have, weather permitting — which is no small caveat here — a view of 60 miles (96 kilometers), taking in

everything from Windsor Castle in the west to the Thames barrier and Gravesend in the east.

The idea of the giant wheel, promoted by boosters who predict that it will draw 2 million paying passengers a year, has been bouncing around on drawing boards and computer mock-ups for two years. But it will receive a big push on Wednesday, when British Airways will announce the underwriting of a substantial part of the cost of £9.5 million (\$14.3 million).

As designed by David Marks Julia Barfield Architects Ltd., the wheel would turn constantly at a low speed, allowing people to hop on and off. Sixty capsules would carry

up to 960 riders on a single rotation lasting 20 minutes, while historical and sightseeing commentaries play.

The architects believe that 60 percent of the energy to drive the wheel could be derived from harnessing the tidal flow of the Thames and that solar power would be used to heat and cool the capsules.

The wheel would set a new record for height. The current record holder is the Cosmoclock 21 in Yokohama, Japan, which is 344 feet, 6 inches tall. In the United States, the tallest is the Texas Star in Dallas, at 212 feet, 6 inches.

The London site is in the Jubilee Gardens between Westminster and Waterloo Bridges, a stone's throw

from Parliament. It will form part of a vast regeneration of the south bank that includes the new Tate Museum of Modern Art, to be built in an existing power station; refurbishment of the South Bank Arts Center by Sir Richard Rogers; the new Globe Theater that will open next year, and even an Olympic-size swimming pool floating on the river.

The Millennium Commission, which derives funds from the new national lottery and is expected to hand out some £1.6 billion by the year 2000, is not contributing to the project. The only block to construction might come from objections raised at public hearings, but so far few critics have turned up.



Javier Solana Madariaga of NATO, right, talking with President Algirdas Brazauskas of Lithuania in Vilnius Tuesday.

## Apathy Is Winning In Italian Campaign

Reuters

ROME — After voting in general elections in 1992 and 1994, Italians face the prospect of marking their ballots on Sunday with apathy.

"There are a lot of disillusioned voters out there," said Giorgio Calo, managing director of the Directa polling institute. "Italians don't believe in politicians' promises. They have no confidence in them."

As a result, Mr. Calo said, voters are tuning out the campaign, which in its final days has been reduced to an exchange of insults between candidates of the center-right Freedom Alliance and those of the center-left Olive Tree grouping.

A Directa survey of voters, commissioned by the financial newspaper *Il Sole 24 Ore* and published Monday, indicated that only 13.4 percent of the respondents were following the campaign closely.

A slightly higher percentage, 14.7, said they were not following it at all, while 71.7 percent said they were following it some or a little. An additional 0.2 percent had no opinion.

The telephone survey of 1,188 people conducted last week was not affected by a ban on opinion polls after

April 1 because it did not address voting intentions.

Will the large undecided vote, which some estimates place as high as one-third of the electorate, affect turnout?

Mr. Calo predicted that some people will stay home, but not as many as one might think: "Italy has a long tradition of high voter turnout. In the end, they'll pull themselves together and vote."

Franco Ferrarotti, a sociology professor at La Sapienza University in Rome, agreed.

"There is a certain degree of disenchantment, but then Italians have never trusted their politicians," he said. "They are rather reasonable about this. They think, 'What can we do? They may be mediocre or dishonest, but this is what we have so we'll vote anyway.'"

Gabrielle Antinolfi, a 32-year-old employee of the CISL trade association, is one of the undecided voters. He would not say whether he planned to abstain Sunday.

"We've seen so much corruption and inaction that it is difficult to see where to vote," he said.

Mr. Calo said he expected a small drop in turnout, to about 80 percent from more than 85 percent in the 1994 election.

## Russia Still Hostile to NATO Moves

By Joseph Fitchett  
International Herald Tribune

PARIS — Despite hints that Moscow is becoming flexible about NATO's planned expansion, the most recent public statements by Russian leaders still reflect deep uncertainty in the Kremlin and do not appear to point to the emergence of a Russian bargaining position, NATO officials said Tuesday ahead of President Bill Clinton's arrival in Moscow this week.

The only "breakthrough, if you can call it that, is the new insistence among Russian officials that they want a 'dialogue' with NATO on the issue," an allied official said.

That word, first used late last month by President Boris N. Yeltsin on a visit to Norway, is seen as the most promising sign so far of an evolution in Russian thinking.

But Russian officials, including Foreign Minister Yevgeni M. Primakov, in a talk 10 days ago at a Moscow think tank, have continued publicly to echo another Yeltsin statement in Norway: that former Soviet satellites should settle for political links with NATO and rule out military ties. That way, Mr. Primakov told his largely Russian audi-

ence, "NATO may get bigger, but it won't be stronger."

That suggestion was rebuffed Tuesday by Javier Solana Madariaga, NATO's secretary-general, who said during a visit to the Baltic states that countries in the alliance "are not in part of it or half of it or a third of it."

The Baltic states fear that, despite their insistence on membership, they will be left out of the first wave of countries invited to join the North Atlantic Treaty Organization. But NATO officials insist that they will not give Moscow a veto about who gets in or on what terms.

"So far, what the Russians are demanding contradicts everything that the Central European states want and we want," a NATO ambassador said Tuesday.

While Western officials have been skeptical of any significant change in Russian objections before presidential elections in June, Mr. Primakov's comments at the Moscow Institute of World Economy and International Relations prompted diplomatic speculation this week about a possible psychological shift toward bargaining over expansion.

While noting that Mr. Primakov's

talk appeared to be the first time that Russian demands had been packaged as a single list that might resemble a negotiating position, NATO officials said that the public rhetoric remained hard-line and that they were unaware of any new private signals from the Kremlin.

"We're interested in cooperating with the Russians, but not in giving them a political victory," he added.

Mr. Primakov, who has alternated between threats and demands about NATO expansion, also said in his talk that the alliance, in thinking about enlargement to Eastern Europe, should stick to a pattern set by German unification: Bonn banned the stationing of nuclear weapons in Eastern Germany, the building of such military infrastructure as air bases or the permanent garrisoning of troops, except the Bundeswehr.

"We've already pointed out to the Russians that this model doesn't apply anymore because when the GDR became part of NATO, there was a Warsaw Pact, not a group of new democracies trying to find a secure footing inside the alliance," a German official said Tuesday, referring to the former German Democratic Republic, or East Germany.

## CROSSWORD

## ACROSS

- 1 Gave a face lift  
6 Barter  
10 Amazes  
14 Swifly  
15 Rock's Turner

- 16 Coo's partner  
17 Swell, formally?  
18 First name in jazz  
20 Existence  
21 Kind of radio show

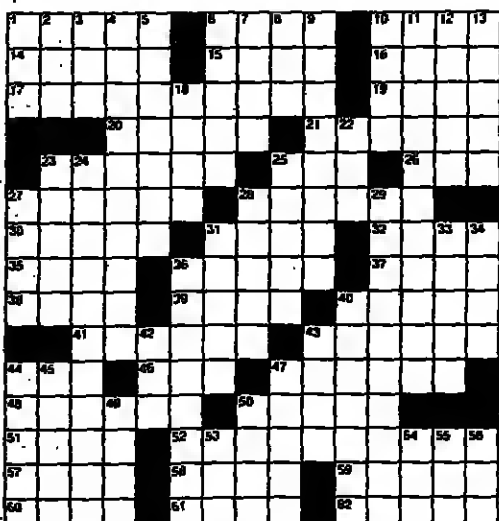
- 23 Imperfect  
25 X  
26 Professional suffix  
27 Access  
28 Bremen  
29 1991 movie  
30 "L.L. Cool J."

- 31 "This Red"  
32 Madame Bovary  
33 Difficult journey  
34 Looked suspicious  
37 At a distance  
38 Withered  
39 Sneaker brand  
40 In union  
41 Tire patterns  
42 18-and-over crowd  
44 Turt  
45 It might need refining  
47 Go too far, with "it"

- 48 Pants line  
50 Pancake relative  
51 Phoned  
52 Olympics vehicle, formally?  
57 Boy or girl precursor  
58 Creative start  
59 Film actress  
60 Look with effort  
61 Somnolence  
62 W.W. battle site

- DOWN  
1 Dominion, in old India  
2 Govt. watchdog  
3 Block  
4 Conversation starter, maybe

- 5 Early Mormon land  
6 Military defense  
7 Museum  
8 200-on  
9 What's more  
10 Worker's due  
11 Famed fabricator victim  
12 Place to put money, formally?  
13 Island in New York Bay  
14 Perspective  
15 "Ben Phui," Vietnam  
16 Be unwell  
17 Bishop topper, formally?  
18 It may be fine when company comes  
19 Chow  
20 Ways of London  
21 Makes the grade  
22 Piano exercise  
23 -man defense  
24 Consort of Aphrodite  
25 Finger food  
26 With skill  
27 Deen goddess  
28 Have one's say  
29 Junk  
30 Emulate Pliny the Younger  
31 Mountain nymph  
32 Food thickening agent  
33 One with a handle  
34 Haven room  
35 Roman household god  
36 Opposite WSW  
37 Govt. lawyers



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## Solution to Puzzle of April 16

LEAH DOLE DEREK  
EASE EOMEN ETUDE  
OESA FEETOPCLAY  
NEOLOGUEA EME  
AIONA RICH  
FIOEL GERZER  
AWASE SIMI AERO  
DIRT ROMAN RAMS  
AREAL EPIC AILAS  
MOSTEL TEPD  
ENLOE EUBERT  
ARA DEEM LEGRUE  
LTIPOFWINE ONES  
GREER ERIE LIST  
ATSEA VEINS DIEIS

## BRIEFLY EUROPE

## Dutch Support Homosexuals

THE HAGUE — The Dutch Parliament voted Tuesday to allow homosexuals to marry.

By 81 to 60, the deputies asked the government to lift a ban on marriage between men or between women.

The government wants to give all people with long-term relationships outside traditional marriage the legal protection the matrimonial state brings. (AFP)

## Britons Reassured on AIDS

LONDON — Thousands of Britons who rushed to hospitals and AIDS clinics last week after doubts were raised about the reliability of HIV testing have now been reassured that they are safe, the government said Monday.

Health Minister John Bown told Parliament that out of 25,000 samples tested with a questionable kit, more than 90 percent had now been retested.

All but three cases have been reconfirmed as negative," Mr. Bown said. "Those three are being further investigated." (Reuters)

## French-Dutch Accord on Drugs

PARIS — France and the Netherlands, at loggerheads over liberal Dutch drugs laws, have agreed to a trial exchange of customs agents for three months, French officials said Tuesday.

Three French agents began work Monday in a customs office in Rotterdam while two Dutch officers are working in a customs office in Marseille.

Drugs are illegal in the Netherlands, but modest amounts of marijuana may be openly bought. The police there routinely ignore possession of small quantities of cocaine and heroin.

France says the Dutch policies make it easy to smuggle illegal drugs into France. (Reuters)

## Austria Rehabilitates Royalty

VIENNA — Austria scrapped Tuesday a law enacted nearly 80 years of exile for the Habsburg imperial family. The law was imposed in 1919 after the defeat of the Austro-Hungarian empire in World War I.

The law applied to members of the imperial family who were born before Nov. 12, 1918 and who had never renounced their right to the throne. (Reuters)

## Calendar

European Union events scheduled for Wednesday:

STRASBOURG: Weekly meeting of European Commission. The main topics on the agenda are the interior market and flexible working time and job security.

STRASBOURG: Full session of European Parliament continues with discussions about "mad cow" disease and the results of the Turin summit meeting.

STRASBOURG: The humanitarian aid commissioner, Emma Bonino, meets Charles Aznavour, the French singer who is acting as Armenia's "ambassador-at-large" responsible for humanitarian issues. Sources: Agence Europe, AFP

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## INTERNATIONAL

## Refugees Flee Attack on Monrovia Haven

**The Associated Press**  
**MONROVIA, Liberia** — Forces loyal to Charles Taylor launched a new attack Tuesday on a barracks holding about 10,000 people, sending refugees fleeing what they thought was a safe haven.

Firing mortar shells and other truck-mounted artillery, the fighters had advanced to about 200 meters from the

barracks around three hours after the fighting began at 7 A.M., witnesses said.

Fighters inside the barracks, loyal to Roosevelt Johnson, another faction leader, fired back. There was no report of casualties. Dozens of people, including children, were seen fleeing from the barracks where refugees, West African peacekeepers and some for-

signers were being held captive. It was not clear how many were being used as human shields.

"These people will have to stop fighting," said Joseph Brimah, a Liberian who was one of the first to flee with his son. "They can't kill everybody in the barracks."

There also were reports that fighters loyal to Mr. Johnson were gathering

southeast of the capital. A United Nations source, speaking on condition of anonymity, said fighters from the Krahn ethnic group might be headed toward the capital.

The source also said radio intercepts indicated that factions were keenly aware that 23,000 tons of food are stored at Monrovia's port by the UN World Food Program.

In the Mamba Point section

of the capital, looting that has forced aid organizations to leave the country continued, with Mr. Taylor's fighters joining in, witnesses said.

Some residents have formed their own vigilante groups, carrying machetes and standing guard over their property.

"We are tired of thieves coming to take out things; we're not going to take it anymore," said Lansana Sasay.

A government spokesman Monday criticized the United States' emergency evacuation, in which 408 Americans and 1,560 other foreigners have been flown to safety in neighboring Sierra Leone since civil order broke down April 9.

"We do not think that the crisis is deep enough to warrant the airlift of people," said the spokesman, Reginald Goodridge.

A U.S. helicopter with 14 American Embassy workers flew out of Monrovia on Monday for the 64th mission of the evacuation. Ambassador William Milam remained behind with 18 security officers to guard the embassy compound.

U.S. Navy amphibious craft are to reach Liberia's Atlantic coast later this week, delivering 1,500 Marines to help secure the Embassy.

Meanwhile, the Nigerian foreign minister, Tom Ikimi, accused the United States on Monday of failing to provide enough financial or technical aid to peacekeeping forces in Liberia. He warned that the 10,000 peacekeepers might be forced to pull out.



## Vitamin C: Latest on the Ideal Dose

By Jane E. Brody  
 New York Times Service

**NEW YORK** — How much vitamin C is enough? Is it the 60 milligrams a day — the amount in half a cup of fresh orange juice — that is America's current recommended dietary allowance, the 30 to 40 milligrams that some nutritional biochemists think it should be, the hundreds of milligrams that millions of Americans now take as a daily supplement or the thousands of mil-

ligrams that the late Dr. Linus Pauling believed would protect against serious illnesses, including cancer?

A new government-sponsored study, by far the most comprehensive to date, says none of the above. The study, directed by Dr. Mark Levine and published Tuesday in the Proceedings of the National Academy of Sciences, found that the "optimal" daily intake of vitamin C was more like 200 milligrams, although only about 10 milligrams are needed to prevent vitamin C deficiency.

The researchers at the National Institutes of Health, who manipulated the vitamin C levels of seven young men, also concluded that daily doses above 400 milligrams "have no evident value" and that amounts of 1,000 milligrams (1 gram) or more could be hazardous.

"This means Linus Pauling was all wrong, at least with respect to healthy people," Dr. Levine said. "He had the best of intentions, but he did not have the science to support his hypothesis."

## Colombian Rebels Kill 31 Soldiers in Ambush

**The Associated Press**  
**BOGOTA** — Rebels in Colombia ambushed a military convoy near the border with Ecuador, killing 31 soldiers and wounding 16 in one of the bloodiest clashes between rebels and the army in recent years, the authorities said Tuesday.

The attack on the six-vehicle convoy took place Monday night near the town of Puerres, 570 kilometers (355 miles)

southwest of the capital, Bogotá. The rebels exploded charges placed on the road as the convoy passed by and then fired machine guns, the military said.

The Revolutionary Armed Forces of Colombia, the largest of several rebel groups that have been fighting the government for three decades, was believed to be responsible, Colonel Mario Hugo Galan, a local army official, said on RCN radio.

Guerrillas exert control over vast areas of rural Colombia. But they rarely attack large cities and pose no real threat to the government.

Still, several groups have stepped up attacks in recent weeks. President Ernesto Samper asked Congress on Monday to extend special emergency powers to fight rebels and crime. The powers would ease search restrictions and increase sentences for criminals.

**APARTHEID ON TRIAL** — Police helping a woman who was crippled during the apartheid era to enter the East London City Hall on Tuesday where South Africa's Truth and Reconciliation Commission held a second day of hearings on abuses committed during the years of the white-minority government's rule.

## Another Royal Divorce

**The Associated Press**  
**LONDON** — The Duke and Duchess of York are to divorce, their lawyers said Tuesday.

The necessary legal proceedings are under way and it is expected that the marriage will be ended by the end of May, the lawyers said.

Prince Andrew, 36, the second son of Queen Elizabeth II, and his wife, the former Sarah Ferguson, 37, were married in 1986.

They have two young daughters, Princess Beatrice, 7, and Princess Eugenie, 6, who will continue to live with their mother. Prince Andrew will "participate fully in their upbringing," the lawyers said.

The duchess, who has become one of the most criticized and unpopular members of the royal family, has chosen not to use the title "Her Royal Highness" after the divorce. She will continue to be known as the Duchess of York, the lawyers' statement said.

The divorce is listed for a hearing Wednesday in High Court Family Division in London. A palace spokesman said the queen had not written to the duke and duchess in the

same manner she wrote to Prince Charles and Princess Diana, calling for an end to the marriage.

"They have agreed, after more than two years' separation, that their marriage should formally be ended," the statement said.

"The decision by the duke and duchess is a personal one, and theirs alone."

"At the express wish of the duke and duchess and in the interests of their children, which they regard as of paramount importance, no further statement will be made or information provided."

"The children will continue to live with the duchess, and both parents will participate fully in their upbringing," it said.

The queen has been informed of the decision to divorce and was said to be "saddened" by the news.

Buckingham Palace said the duke and duchess remained "close friends" and were under no pressure from the queen or other members of the royal family to divorce.

Financial arrangements were "entirely a personal matter" and were not being discussed with news organizations, the lawyers said.

## PLO Works on New Charter

By Joel Greenberg  
 New York Times Service

**JERUSALEM** — In a move laden with symbolic importance for Israel, the Palestine Liberation Organization will adopt a new charter to replace the current document that calls for Israel's destruction, a senior aide to the PLO chairman, Yasser Arafat, said Tuesday.

The 450-member Palestine National Council, the PLO's widest policy-making body, is scheduled to meet in Gaza on Monday to discuss changing the charter, officially called the Palestine National Covenant.

Under the Israeli-PLO self-rule accords, the charter must be changed by May 7th.

"We will draw up a new covenant, and we will strengthen our national goal in this covenant by establishing an independent Palestinian state," Tayeb Abdel Rahim, the secretary-general of the Palestinian presidency, said Tuesday at Al Azhar University in Gaza.

He is in charge of consultations with PLO factions in advance of the council meeting, and his remarks indicated how Mr. Arafat intends to keep a commitment he gave when he signed the agreement with Israel in 1993.

In a letter then to Prime Minister Yitzhak

Rabin, Mr. Arafat declared that the PLO recognizes Israel, and he undertook to submit to the council "the necessary changes in regard to the Palestine Covenant."

Instead of amending the charter, which is filled with clauses denying Israel's right to exist, Mr. Arafat is apparently planning to replace it.

Prime Minister Shimon Peres is scheduled to meet Mr. Arafat later this week for the first time since he suspended political contacts with the Palestinians after a spate of suicide bombings in Israel by Muslim militants. The two leaders are expected to discuss Israel's closure of the West Bank and Gaza Strip, the delayed Israeli withdrawal from parts of Hebron, and the planned changes in the covenant.

Canceling the clauses calling for Israel's destruction has been a central Israeli demand, and carries significant weight in public opinion in Israel. Israelis doubtful of Mr. Arafat's readiness to make peace often cite the covenant as proof that he is still bent on their destruction.

Adopted in 1964 and amended in 1968, the covenant vows to pursue "armed struggle" to "purge the Zionist presence from Palestine," and declares that "the establishment of Israel is fundamentally null and void."

## U.S. to Step Up Military Navigation

By Matthew L. Wald  
 New York Times Service

**WASHINGTON** — The secretary of defense, William J. Perry, has ordered the air force, the army and the navy to install airline-type navigation and recording devices on all military planes that carry passengers, along with advanced navigation equipment that is not yet in wide use, a senior air force official said Tuesday.

The order came in letters dated April 9, six days after an air force transport carrying Commerce Secretary Ronald H. Brown and 34 other people, crashed on approach to Dubrovnik airport, killing

all aboard. The plane, a slightly modified Boeing 737, did not have a cockpit voice recorder or a flight data recorder, or equipment that would have let it use the Pentagon's navigation satellites. The air force said the reason was cost.

It did have a ground proximity warning system, which sounds an alarm if the plane is too low, but the senior air force official said that the defense secretary was now ordering far more advanced versions, which include a computer database of terrain all over the world.

The advanced device couples the database with knowledge of the plane's position, speed and direction, to give 60 seconds warning if it is heading into a mountain. The official also played down the idea that the crash was caused by bad weather. Asked by a reporter whether it was "the storm of the century," as some local accounts put it, the official said, "The weather reported at that time was not uncommon in this area of the world."

He also said that no evidence has emerged thus far of any malfunction in the radar, the part that is suspected in the crash of two civilian 737s, a USAir plane in Pittsburgh in 1994, and a United Airlines plane in Colorado Springs in 1991.

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## INTERNATIONAL



An Israeli soldier clearing rubble Tuesday from an apartment building in northern Israel hit by rocket fire from Lebanon. No one was hurt.

## LEBANON: Beirut Gets U.S. Proposal for Cease-Fire as Israel Presses Raids

Continued from Page 1

the region; the disarming of Hezbollah and a cessation of guerrilla attacks against Israeli soldiers inside the 15-kilometer (9-mile) "security zone" that Israel maintains inside Lebanon, and a Syrian guarantee for the agreement, along with a mechanism to enforce it.

The proposal retained for Israel the right to attack Hezbollah if the group resumed guerrilla activities. At the same time, Israel undertook to open discussions on withdrawal from the buffer zone if Lebanon managed to provide security for nine months, and to take steps toward reviving peace negotiations with Syria and Lebanon.

The proposals could not be officially confirmed. But the official Lebanese news agency reported that Lebanon's prime minister, Rafik Hariri, in Saudi Arabia on a continuing tour of Arab and European capitals to muster support, was skeptical about the initial offer. "Our first impression is that there is a difficulty in accepting it in its current form," he was quoted as saying.

Mr. Hariri did not specify his reservations, but it was unlikely that Syria, whose 35,000 troops in Lebanon make it the key player in any agreement, would agree to having Hezbollah disarmed, which would amount to a defeat that neither the guerrillas, nor their Iranian sponsors,

would allow. The Syrian president, Hafez Assad, has repeatedly insisted that the organization is within its rights in fighting to oust Israel from inside Lebanon, and the guerrillas have figured as one of his cards in any negotiations for a peace with Israel.

After the last Israeli incursion in 1993, the unwritten cease-fire agreement barred attacks on civilian targets, but left Hezbollah free to operate inside the buffer zone, an arrangement that enabled the guerrillas to claim victory in the fighting.

This time, too, Mr. Assad would presumably insist on leaving Hezbollah free to confront the Israelis and their Lebanese Christian allies of the South Lebanese Army, at least within

the buffer zone. Israeli commentators said that Israel would demand an unambiguous end to any attacks on northern Israel, and guarantees for their participation in some formal supervisory mechanism. The Israelis were also expected to insist on the freedom to respond anywhere to an attack by Hezbollah.

"We have a clear and defined target," the Israeli prime minister, Shimon Peres, said after meeting with Prime Minister Abdel Karim Khabazi of Jordan.

"There will not be firing on residents in Israel, and they shall not use civilian settlements to fire on our forces."

## Raid That Darkened Beirut Signals Strategy: Ten Eyes for an Eye

By Barton Gellman  
Washington Post Service

KIRYAT SHEMONA, Israel — On a day when Israeli jets turned the lights out in most of Beirut, a Hezbollah rocket did electrical damage, too, in Kiryat Shmona, the largest of the northern Galilee towns. It cut the cable supplying electricity to Kehilat Eli Cohen, a synagogue here.

Israeli Army spokesmen described the cut cable as an attack on "electrical infrastructure in northern Israel," and a government statement cast the destruction of the Beirut power station as Israel's direct response.

That large discrepancy in scale is typical of the emerging pattern in Operation Grapes of Wrath, the name Israel has chosen for its bombardment of Lebanon. Israel is signaling its weaker neighbor that Lebanon will suffer tenfold or a hundredfold when Lebanese territory is used for attacks that disturb Israel's northern communities.

About 9,000 residents of Kiryat Shmona have fled to temporary quarters out of range of Hezbollah rocket fire, and most of the remaining 13,000 spend their nights in underground shelters. In Lebanon, as many as 400,000 civilians have been driven from their homes by Israeli attacks.

Roughly 140 Katyusha rockets have fallen on Israel since Thursday, far more than in the rest of the year to date. In that same time, Israel has fired more than 5,000 rounds of artillery into Lebanon and flown many hundreds of bombing sorties.

Israel estimates its economic loss at less than \$2 million in damage to buildings, cars and the tourist trade in the north. Lebanon's rebuilding costs have not been measured yet, but they certainly will be much greater.

Even in loss of civilian life, Lebanon has fared far worse. No one in Israel has died in a recent rocket attack, although out for lack of trying by Hezbollah, Israel, despite saying it sought to avoid innocent casualties, has ac-

knowledgeable killing about 20 Lebanese civilians; Lebanon counts 30 civilian dead.

At Kiryat Shmona's run-down Crown of the East, an outdoor café where some residents defied the rockets to enjoy a sunny afternoon, such comparisons did not sound amiss. Having left bomb shelters against municipal advice, six men gathered to smoke and eat olives and argue that their army should have hit the Lebanese harder and sooner.

"If you don't beat an Arab into obedience, he'll always be on top of you," said Yifrah Albert, 61, who said he knew the Arab mentality because he emigrated from Morocco when he was young.

Prime Minister Shimon Peres and his ministers would never put it so crudely, but they acknowledge that the design of their thrust now includes targets intended to weaken economic harm on Lebanon as additional pressure on its government to act to curb Hezbollah.

Israel's public diplomacy seeks to cast the tactic as a matter of tit for tat. One principle the cabinet approved to govern the war was that "if Israeli civilian facilities are hit, there will be no immunity from strikes on parallel Lebanese facilities."

But Mr. Peres has signaled that "parallel" did not mean proportionate.

"Hezbollah embarked on an illusion," he said, "in which they thought they had the advantage in terms of weapons. If they have Katyushas, we have better missiles. And if we have to create an advantage, then we will do all that we have to do to create that advantage."

Shalom Dado, 34, was inside the Eli Cohen synagogue Monday when a rocket hit just outside. Besides cutting the electrical cable, the explosion shattered a stained glass facade depicting the 12 tribes of Israel and sent Mr. Dado tumbling to the floor.

"I fell down; I couldn't see anything," he said. "I saw darkness. It's not funny. It really was a miracle."

## Yeltsin to Fly the Red Flag for Veterans

By David Hoffman  
Washington Post Service

MOSCOW — President Boris N. Yeltsin, fighting an uphill campaign against the Communist Party leader Gennadi A. Zyuganov, will let the red flag of the former Soviet Union fly side by side with the Russian tricolor at formal ceremonies marking World War II victories.

According to Russian news agencies and television reports, Mr. Yeltsin, who trails the Communist candidate in polls for the June 16 election, intends to sign a decree allowing a red "Victory Flag" to be displayed in a salute to veterans and pensioners for whom the Soviet banner is a potent symbol of victory over Nazi Germany.

It was unclear whether the flag

would display the hammer and sickle.

The move is another stab by Mr. Yeltsin at the buoyancy of Mr. Zyuganov's candidacy, which has been based on a nostalgia for the former Soviet Union and a longing for its great-power status, especially among pensioners and the elderly, who have suffered economically in recent years. According to Interfax, quoting sources, Mr. Yeltsin believes the red flag has "become the symbol of the Russians' loyalty to their country, the continuity of Russian history and the unity of generations."

It is also the flag that Mr. Yeltsin ordered removed from the Kremlin on Dec. 26, 1991, after the collapse of the Soviet Union and the resignation of President Mikhail S. Gorbachev. Since then, the red, white and blue Russian

tricolor has flown. But red flags will be allowed at patriotic holidays early next month, including the May 9 celebration of the World War II victory.

Weekend polls showed that Mr. Zyuganov remained in the lead, although Mr. Yeltsin has now moved solidly into second place.

Warning that a return to Communist power would be a disaster for Russia, Mr. Yeltsin has at the same time emphasized social welfare and played down the free-market reforms that have hurt the elderly.

The Kremlin announced Tuesday that Mr. Yeltsin had signed a decree doubling compensation payments for pensioners at the bottom of the economic ladder and had ordered the government to send a law to Parliament raising all pensions by 10 percent.

## COMPLEX: What's Inside That Ural Mountain?

Continued from Page 1

dreds of millions of dollars to help the cash-starved Russian government dismantle old nuclear weapons. To win approval from Congress for the money, the Clinton administration has had to certify that the Russians are not undertaking new military projects that go beyond their defensive needs.

The project is also being carried out despite complaints from members of the Russian Parliament that the government does not have the money to comply with new treaties slashing strategic weapons and mandating the destruction of chemical weapons. "We can't say with confidence what the purpose is, and the Russians are not very interested in having us go in there," a senior U.S. official said in Washington.

"It is being built on a huge scale and involves a major investment of resources. The investments are being made at a time when the Russians are complaining they do not have the resources to do things pertaining to arms control."

The Russian Defense Ministry refuses to say anything about the project, which is proceeding with virtually no public debate. Asked to respond to written questions, the Defense Ministry replied: "The practice does not exist in the Defense Ministry of Russia of informing foreign mass media about facilities, whatever they are, that are under construction in the interests of strengthening the security of Russia."

The Defense Ministry also declined to say whether Parliament has been informed about details of the project, such as its purpose and cost, saying only that it receives necessary military information.

For all the secrecy surrounding the Yamantau project, it is too vast to escape notice by the local press, although the nature of the facility has remained unclear.

The project has been variously described by present and former Russian officials as a mining site, a repository for treasures, a food storage area, a dump for nuclear materials and a bunker for leaders in case of nuclear war.

According to the newspaper Sovetskaya Rossiya, the project involves the construction of a railroad, a highway and towns for tens of thousands of workers and their families.

Whether the project is worrisome from a military perspective is a question that divides U.S. specialists.

Senior Pentagon officials say they believe that it will serve as a command and control center for nuclear weapons and a bunker for military leaders.

According to this view, the project appears to be defensive. During the Cold War, the United States also developed a similar system.



Some officials believe that the project may even make the military balance more stable by reducing the Russian military's worries about a surprise attack.

But other top administration officials are worried, asserting that the Russians have refused to provide a full accounting of the project.



Kim Young Sam, the president of South Korea, and Mr. Clinton strolling on Tuesday on Cheju Island.

## CLINTON: Japan's Support

Continued from Page 1

base, two communications centers, a port and other military properties on Okinawa, where the rape provoked protests against the U.S. military presence.

And it opened the door for Japan to consider broader ways of cooperating with the United States during a war in East Asia, with the two nations agreeing to review a set of 1978 guidelines for defense cooperation.

American officials have called the review a potential breakthrough since Japan has long held that its constitution would prohibit any involvement in such a military operation.

The signing of the declaration is the centerpiece of Mr. Clinton's visit to Japan, which is designed to reaffirm that the United States has a major security role to play in Asia, and to showcase Mr. Clinton's prestige as a foreign policymaker.

The trip has also underscored some of the foibles of political timing.

Mr. Clinton was originally supposed to make his visit in November, but canceled because of the confrontation with Congress over the budget. Since then, some of the outrage provoked by the rape has waned. Japan has a

new prime minister more attuned to America's view of regional security.

And China's recent military exercises in the Taiwan Strait as well as North Korea's incursions into the Demilitarized Zone have raised concerns throughout the region and a focus on defense policy.

Mr. Clinton arrived here Tuesday evening for his second visit as president after a brief stopover in South Korea, where he and President Kim Young Sam of South Korea proposed peace talks that would include the two Koreas, China and the United States.

Later Wednesday, the president and Hillary Rodham Clinton were to be welcomed by Emperor Akihito at the Imperial Palace before Mr. Clinton's meeting with Prime Minister Hashimoto and the signing of the security declaration.

Before he leaves Thursday evening, Mr. Clinton also plans to speak to American troops aboard the aircraft carrier Independence, address Parliament and visit a Chrysler showroom to highlight his efforts to open Japanese markets to American autos and make the argument that Japanese benefit by open markets.

A key component of the security agreement is the American decision to hand back 20 percent of its holdings on Okinawa.

The functions and personnel of those bases are to be transferred to bases in other Japanese towns so that the total number of American troops in Japan will remain unchanged at 47,000.

Japan has agreed to pay the costs of the base closings and personnel transfers.

And the security declaration also incorporates an agreement for Japan and the United States to share food, transportation, refueling, medical care and weapons parts during peacetime, bringing Japan's self-defense forces into greater partnership with the American military.

## BEEF: Mass Slaughter Barred

Continued from Page 1

billions pounds. 70 percent of which will be paid by the EU. On Tuesday the government set compensation payments to the owners of those older animals, £500 (£750) a head. An expected 15,000 such animals a week are expected to be incinerated.

The crisis started in March when British ministers admitted a possible link between "mad cow" disease, bovine spongiform encephalopathy, and a fatal human brain disorder called Creutzfeldt-Jakob disease.

The government's new policy toward what it clearly regards as unreasonable demands from its European partners won quick backing from British farmers' groups.

"This sends a signal to Europe that we are not going to sit back and see our beef industry destroyed," said Ray Barrowdale, a spokesman for the Beef and Livestock Commission, the industry trade group.

Moves to slaughter entire herds earned harsh criticism from the British Veterinary Association, which has

likened it to the "burning of witches."

Last week its president, Bob Stevenson, warned that mass slaughter would involve thousands of healthy animals.

As the damage continued to mount, the government announced Tuesday that in addition to paying farmers for animals to be culled, it will compensate the hard-pressed slaughterhouse industry with a £110 million package.

Mr. Hogg said the moves were designed to buy and destroy £132 million worth of unsold meat now sitting in slaughterhouse meat lockers.

Without those measures, he said, "we risk the disorderly collapse of the sector."

■ France to Kill Calves

France said Tuesday that it would destroy 70,000 calves born in Britain to prevent their meat from being sold, Reuters reported from Paris.

These British-born calves that we have previously quarantined will now be destroyed so they cannot be sold," the agriculture minister, Philippe Vasseur, told Parliament.

## OBITUARY

## Richard Nelson Thomas,

born in Omaha Nebraska on March 3, 1921 passed away in his sleep on Tuesday April 9, 1996. Dr. Thomas, who had been based in Boulder since 1957, completed his studies at Harvard University with the degrees of B.S. (1942) in Physics and Ph.D. (1948) in Astrophysics.

In 1963 he received the Gold Medal for Exceptional Service from the U.S. Department of Commerce. He was a member of the American Astronomical and American Physical Societies as well as of the Royal Astronomical Society and International Astronomical Union and a Corresponding member of the Society Royale des Sciences de Liege.

He held senior positions at many research centers including HAO & NIST in Boulder and the Institut d'Astrophysique de Paris in France. He was instrumental in founding JILA (Joint Institute for Laboratory Astrophysics) in Boulder. He also held teaching positions at the University of Utah, Harvard University, University of Colorado, University of Paris and College de France in Paris. He was a frequent guest speaker and organizer of numerous international symposia.

Professor Thomas was the author of numerous papers on Celestial Mechanics, Ballistics, Astrodynamics, Aerodynamics, Astronomy and Astrophysics, and Non-Equilibrium Thermodynamics. He is also the author of three books and the editor of a monograph on astrophysics series.

Richard N. Thomas is survived by his wife, Nora, step daughter Anush and daughter, Bess Alta. He is remembered as a loving and caring husband and father and a devoted friend by his family and friends.

In memory of Professor Thomas, a memorial scholarship fund has been established for Astrophysics students at the University of Colorado. In lieu of flowers, donations should be made to the Richard N. Thomas Memorial Scholarship Fund at the CU Foundation, P.O. Box 1140, Boulder, CO 80506.

Arrangements directed by Crist Mortuary of Boulder.



## EDITORIALS/OPINION

# Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

## Israel Should Stop

The Israeli government had a point to make — that it would greatly raise the cost to Lebanon of continued Hezbollah shelling of Israeli towns — and it has made it. The retaliatory attacks that began last Thursday were continuing on Tuesday, producing casualties, destroying valuable economic targets and pushing hundreds of thousands of Lebanese out of their homes. In this hard way the Israelis have given the Lebanese authorities full incentive to realize that the previous status quo, which left Hezbollah terrorists as the ultimate arbiters of border peace and security, is no longer acceptable. There is no call to generate more casualties or refugees. This is enough.

The Lebanese authorities are, as usual, pleading that their state's weakness renders them unfit to police the Hezbollah bands. They deserve sympathy, but their alibi will not do. It dumps upon Israel a burden of vulnerability and insecurity that no self-respecting state can be expected to carry for another's political convenience. A state cannot simply absolve itself, by its own pronouncement, of its elementary international responsibilities.

The Israelis put a huge burden of insecurity and vulnerability on the Lebanese. But there is a clear way to lift that burden: to leash Hezbollah. The Israeli purpose in southern Lebanon, after all, is not conquest but the re-

assertion of Lebanon's sovereign authority over its own territory. The Israelis have a large interest in building up Lebanon as a nation.

That leaves Syria as the party most responsible for both Israel's and Lebanon's border insecurities. The Syrians have 35,000 troops in Lebanon, and they have the power, if they would only assert it, to turn off the arms and support from Iran's revolutionary regime that sustain Hezbollah. Damascus protests that it is merely assisting Hezbollah's legitimate claimed purpose of ousting Israeli troops and clients from the "security zone" that Jerusalem runs in southern Lebanon. This is a phony claim. Hezbollah's military provocations in Lebanon create the Israeli interference that the organization then pretends to be responding to. Everybody in the Middle East knows this.

The United States and its European allies have supported, in the name of regional stability, the arrangements by which Syria dominates Lebanon. They should accept that Syria has misused its grant of tolerance, and make Lebanon's receipt of its own south from Hezbollah a diplomatic priority. This is the purpose of diplomatic contacts now in train. Lebanon is using the poor man's weapon, the government's likely collapse, to stir the Syrians to bring Hezbollah to heel.

—THE WASHINGTON POST.

## A Defeat for Bribery

The United States has successfully pressured its allies to stop subsidizing corruption. West European governments routinely allow companies that pay bribes to win business contracts from foreign officials to deduct those kickbacks from their taxable income. Last week the OECD countries agreed to end tax-deductible bribes. That does not go nearly as far as America, which outlaws foreign bribery altogether, would like, but it is a big first step.

Industrial countries outlaw bribes within their borders, but only the United States bars companies from paying bribes to foreign officials. That noble stance puts American business at a disadvantage when competing for a foreign contract against businesses that operate under no such constraints. The United States has labeled the payment of bribes a trade barrier and is fighting to get its trade partners to end the practice completely. The Clinton administration

says it has identified about 100 cases between April 1994 and May 1995 in which American companies lost business to those that paid bribes to foreign officials in order to win contracts in the construction, telecommunications and other lucrative industries.

So far, the United States has acted unilaterally — losing business but having a limited impact on corruption. By bringing the other major industrialized countries along, the anti-corruption campaign will pack more wallop and remove American companies as a special target of retaliation. The best way to fight corruption is to present a united front. That way the pressure on offending governments to clean up their act is maximized and the businesses of no one country are victimized. The administration's lobbying may not end foreign bribes, but its multilateral approach is smart.

—THE NEW YORK TIMES.

## North Korean Decline

It would be a mistake to push too hard or — and this is more important — expect too much from new approaches toward North Korea.

The Korean Peninsula remains volatile. Hundreds of thousands of troops face each other across the Demilitarized Zone, pretty much as hostile oom as when the Korean War ended in 1953. Recent armed incursions by North Korean soldiers into the zone, in violation of the armistice agreement, reminded South Koreans of the continuing danger. The presence of U.S. troops there makes the tension a very real issue for America. The question is what, if anything, can be done to defuse that tension.

Washington has correctly made clear that it will not cut Seoul out and negotiate directly with Pyongyang, as the regime there would wish. A policy toward North Korea has to be fashioned jointly by South Korea, the United States, Japan and, in some ways, China and Russia, with Seoul taking the lead. And in some ways, South Korea is well-positioned to act now. President Kim Young Sam's ruling party has just survived a parliamentary election with smaller-than-expected losses. His nation's economy is vibrant, its per capita GNP around \$10,000 and growing steadily. (In the United States the figure is about \$25,000.)

What is not known is whether North Korea is in a position to respond to any overtures. The Communist nation's economy has been shrinking since 1989 or 1990, and while information is hard to come by, its per capita GNP is less than a fifth of the South's. Russia and China have opened full relations with the South, essentially jilting their own satellite. No one is sure whether the dictator Kim Jong Il, or anyone else, truly controls the country. One expert compares North Korea to a nation on autopilot, and heading down.

Without economic reform, then, North Korea is heading for collapse. But the isolated rulers in Pyongyang may

fear, with good reason, that even modest reform also would mean collapse, at least for their regime. Any opening to the outside world would quickly cause North Koreans to wonder why their cousins to the south are so much better off.

It is clearly in the world's interest to hope for a soft landing for North Korea's descending plane. To that end, South Korea could take the lead in showing Pyongyang what it might gain, in investment and other inducements, if it undertook reform. A four-nation dialogue could end the present diplomatic stalemate, while helping to persuade China that Washington is not seeking to isolate or "contain" it. At the same time, no inducements should be offered to North Korea merely for refraining from misbehavior, such as the incursions into the Demilitarized Zone. There is little to be gained from extending the life of a regime that is unable or unwilling to change.

—THE WASHINGTON POST.

## Other Comment

### Europe Hates the Medicine

The medicine Europe needs is fairly obvious: cutting back the generous social welfare provisions that put Europe at a competitive disadvantage. Jacques Chirac's solution would use international trade regulation to impose the same provisions onto the rest of the world. Rather than look for ways to make the French worker more competitive, Mr. Chirac would work to make the Indian or Philippine worker more expensive. Little wonder that Asia regards the European Union with such distrust. If Asia and the United States have had more success in creating jobs, perhaps it is because they are just old-fashioned enough to believe that people who don't work should not be rewarded for it.

—Far Eastern Economic Review (Hong Kong).

## How to Rescue Liberia? Disarm the Warlords

By Jeffrey Goldberg

WASHINGTON — George Boley stood in a clearing in a Liberian rain forest and said that he was misunderstood. "I am not a warlord," he told me in late 1994. "I don't know why they use this term to describe me."

Behind the self-proclaimed chairman of the wildly misnamed Liberian Peace Council stood 40 of his soldiers. Most were teenagers, some as young as 11. All were armed, many were drunk. "These are professional fighting men," he said, without irony.

Mr. Boley, who holds a Ph.D. in educational administration from the University of Akron, Ohio, is most assuredly a warlord, as are the other Liberian faction leaders who have driven their country back into chaos.

Fighting in the capital, Monrovia, has killed untold numbers. A UN spokesman said 60,000 Liberians were "roaming the streets, seeking shelter where they can." UN troops have evacuated a thousand Americans and other foreigners. But the United States must take stronger action to restore peace.

The civil war began in 1989 when Charles Taylor, the warlord of the National Patriotic Front of Liberia, invaded from neighboring Ivory Coast. The next year, Liberia's dictator, Master Sergeant Samuel Doe, was killed. That set off six years of gang warfare among several factions.

A peace accord struck in Abuja, Nigeria, last August was supposed to end the war. It handed Monrovia over to the warlords, who agreed to share power peacefully. But they never came through on their pledge to disarm their supporters. So it was inevitable that violence would erupt this month after Mr. Taylor sent his men to arrest a rival, Roosevelt Johnson, on murder charges. Mr. Johnson's faction has indeed murdered civilians. But so have Mr. Taylor's fighters.

The fault for this new spasm of violence rests mostly with the warlords, of course, but the United States is also

to blame. Last year it refused to adequately finance a disarmament effort by the United Nations and the West African peacekeeping force that has been in Liberia since 1990.

The peacekeeping force, with soldiers from nine countries, successfully defended Monrovia from a 1992 attack by Mr. Taylor's faction. It is now demoralized, cash-strapped and undermanned. Its ground forces, which once stood at 12,000, are down to 5,000 or so poorly equipped men. Their commanders are for the most part Nigerian army generals and widely considered to be corrupt.

For Liberia, the best scenario would have U.S. Marines occupying Monrovia. But with Somalia still fresh on Americans' minds, this is probably not politically feasible. Still, a strong West African force of about 15,000 men could disarm the raging factions and weaken the warlords.

This would take U.S. cash and equipment — from ammunition and food to armored vehicles and helicopters. America would also have to send military

trainers and communications equipment to Ghana and other willing and capable West African nations.

All this would cost more than \$20 million. But in the past six years Washington has poured almost half a billion dollars of humanitarian aid into the country, not including the cost of the current evacuation — the third such operation since 1989.

America has a special responsibility to Liberia, which was founded in 1847 by freed American slaves. Liberia was also a key American ally in the Cold War, and \$500 million in American aid propped up the brutal Doe regime.

The only way to end the terror is to take the guns away. If Washington helps West African troops do so, not a single U.S. soldier would be endangered. It would ultimately cost less than airlifting Americans out of Monrovia every time the city explodes.

The writer, a contributing editor for New York magazine, contributed this comment to The New York Times.

## American Policy for Asia Has to Be More Than Trade Policy

By Richard N. Haase

WASHINGTON — President Bill Clinton is in Tokyo on a mission to repair the United States' strained relations with Japan. Fortunately, the administration has indicated that he will justify his long-standing trade-first focus and concentrate for now on the strategic relationship between the countries.

But this belated effort to reintegrate America's most important Asian ally into the world economy is not enough. America's trade policy must be reformed to reflect the new reality of the world economy. The administration must shift away from its trade-centered policy to a more balanced approach.

Mr. Clinton and his advisers — especially Mickey Kantor, who served as U.S. trade representative until being named commerce secretary last week — have largely ignored the political and military dimensions of the relationship and have focused almost exclusively on America's trade deficit.

In this, the Clinton administration is hardly unique. The Bush administration also stumbled badly in an awkward attempt to force Japan to open its markets.

But the situation has grown more tense, and at the worst possible time.

North Korea is on the verge of economic collapse, and three times this month its soldiers have entered the Demilitarized Zone separating it from South Korea. This may or may not be part of a larger plan, but we cannot rule out a suicidal attempt to force reunification. Mr. Clinton and Prime Minister Ryutaro Hashimoto should agree on a plan to deliver food and humanitarian aid to North Korea, but also publicly state that any attack would mark the North's demise.

China's economic boom is a major concern, as economic power tends to translate into political and military power. Only America and Japan, working together, could contain a belligerent China. This week they should work out a plan for sanctions and Japanese support of possible American military action if China uses military force against Taiwan.

Mr. Clinton must also help Japan become more active in world affairs. This means encouraging Tokyo to expand its Self-Defense Force to take on a more meaningful role in United Nations peacekeeping operations. In return, he might pledge to help Japan eventually get a seat on the UN Security Council.

And Mr. Clinton should press Japan to help isolate Iran's rogue government, by refusing to reschedule overdue loans and refusing to provide further credits to the country's electrical industry.

It is vital that the United States not slip back into its trade-first ways when the current crises pass. An administration that treats Japan like an adversary sends a powerful signal that America's most important alliance in Asia has ended. Such an attitude is bad for trade. It feeds protectionist sentiment in both countries and ignores the fact that American exports to Japan have increased by 35 percent in the last three years.

Over time, a Japan alienated from the United States would become more assertive and independent in its foreign

policy and economic expansionism. It would also be less likely to support American-sponsored regional efforts.

America would be smarter to take its trade concerns to the World Trade Organization, where it would gain the support of European and Asian nations also frustrated by Japan's protectionism. It is easier for Japan to make face-saving concessions in a global forum than to appear "defeated" in bilateral talks.

When it comes time to talk trade in Tokyo, Mr. Clinton should enlist Mr. Hashimoto in working toward giving the WTO broader jurisdiction over claims of unfairly restricted competition.

The Cold War may be over, but political and military concerns are not obsolete. American foreign policy in Asia must be more than trade policy. Indeed, trade always suffers during instability and conflict.

The writer directs the national security program at the Council on Foreign Relations. He contributed this comment to The New York Times.

## For Japan and America, Make Security Benefits Reciprocal

By Clyde V. Prestowitz Jr.

This is the second of two articles.

WASHINGTON — The United States proceeds on the assumption that it has leverage to induce Japan to open its market further, but many leading Japanese seem to feel otherwise. In a telephone conversation with me last week, a high-level Japanese official who recently returned to Japan after a tour of duty abroad reported his shock at the lack of respect for the United States that he is finding among Japanese trade negotiators.

"In interministerial meetings in Tokyo," he said, "officials at the Ministry of International Trade and Industry are openly urging that Japan refuse to negotiate with the United States on important trade issues such as semiconductors and photo film, arguing that the United States is a paper tiger with no real negotiating leverage remaining."

Behind this attitude lie several important developments. First, the Japanese trade sur-

plus has peaked and will probably decline steadily over the next several years. As a result of the strong yen, and the bursting of the financial bubble that has raised the cost of capital in Japan, Japanese industry is moving a significant part of its production capacity offshore and often shipping products back home. Thus, Japan has become a net importer of television sets, VCRs and air conditioners, and Japanese auto companies are beginning to ship some autos from their U.S. assembly plants to dealers in Japan.

The catch is that the goods are still Japanese-made, and the market remains controlled by Japanese producers. Nevertheless, this re-export phenomenon, combined with the partial opening of the Japanese market achieved through arduous negotiations over the

years, will continue to reduce the Japanese surplus and could even bring Japan's trade into balance in the 21st century. This dynamic leads Japanese negotiators to believe that pressure to open their markets to reduce the surplus will steadily lessen.

A second major development has been the advent of the World Trade Organization and its inadvertent creation of a dilemma for the United States.

The current Kodak complaint against Fuji is a perfect example of how this works. Kodak has produced convincing evidence of the operation of a government-inspired and -fueled cartel in Japan's film business that is significantly hindering the penetration of the Japanese market by foreign producers such as Kodak. Kodak filed, and the U.S. trade representative confirmed and undertook to pursue,

a formal trade complaint under Section 301, the unfair trade section of U.S. trade law.

In the past, the United States would have tried to negotiate a bilateral settlement with the potential imposition of sanctions lurking in the background as an incentive to reach an agreement. Under the new WTO rules, however, all disputes are supposed to be submitted to the WTO for compulsory arbitration, and unilateral imposition of trade sanctions is illegal.

The problem is that the WTO has no rules that explicitly deal with market closure caused by cartelistic practices. Thus, if the United States takes the case to the WTO, it may well be rejected as invalid because there are no rules to deal with it.

But if America then attempts to solve the problem unilaterally by imposing sanctions, Japan could have the U.S. sanctions declared illegal by the WTO. Knowing this, Japanese officials have refused even to meet with U.S. negotiators on the case, and have effectively told the United States to buzz off.

This is only one case, but the implications are far-reaching. The practices about which Kodak is complaining are present in many other industries in Japan. While the decline of the Japanese trade surplus is a welcome development, the WTO Catch-22 means that competitive U.S. and other foreign firms will still not be able to penetrate the Japanese market adequately. Japan could wind up with its trade in balance and still have a relatively closed market.

The upshot of all this is to leave the United States carrying the full burden of Pacific security more or less alone, while it operates at a continuing economic disadvantage and suffers a loss of respect from its trading partners as the economic disadvantage is further exacerbated by the security agreements.

What to do? The United States must find a way to enable the WTO to live up to its billing as the guarantor of open markets and fair treatment. Encouragement and toleration of cartels and cozy insider business practices (coupled with government administrative guidance) effectively nullify formal trade concessions such as tariff reductions and removal of quotas.

It is these kinds of problems, not tariff barriers, that constitute the major trade issues today. By filing the Kodak and other cases under the WTO's rules on discrimination and nullification, the United States can make it clear that it considers these a test of the WTO's ability to assure a truly open trading system.

More broadly, Washington should begin to make clear that in the future, security deals must be mutual and reciprocal. U.S. allies should be just as obligated to defend America as it is to defend them.

Just last week, Japan's Keizai Doyukai, the national association of manufacturers, issued a paper calling for "collective security" (that is, reciprocal) arrangements in the future. The United States should seize on this and adopt it as U.S. policy.

For it should come as no surprise to U.S. allies that a policy is not sustainable as long as America bears all the responsibility for Asian peace while the majority of the economic benefits flow to other countries.

The writer, president of the Economic Strategy Institute, contributed this comment to The Washington Post.

## The Man in Damascus Watches

By A. M. Rosenthal

NEW YORK — The man sits there in Damascus, watching Lebanese and Israeli killing each other, saying not much but knowing a great deal. The Hezbollah rocket attacks and the tough Israeli counterattacks created precisely what President Hafez Assad wanted — a new armed confrontation with Israel, a proxy war in which his country will neither suffer nor be held to account.

On the contrary. In the latest Arab-Israeli conflict, Syria will be the only winner, exactly as he planned.

He knows that without his approval not an anti-people rocket or anti-tank missile reaches the Lebanese Hezbollah from his own stocks or from his Iranian ally, Hezbollah communications, transport and transfer of funds from abroad depend on him. Through Syria's occupation of Lebanon, all this and the very ground Hezbollah uses as its base are controlled by Mr. Assad.

Three years ago, he promised to prevent Hezbollah attacks against Israel as long as Israel did not first hit Hezbollah villages in Lebanon. Hezbollah broke that agreement several times, with his approval. But when it did it again after the suicide bombings, the Israeli Labor government had to retaliate fiercely, or go down to defeat in next month's elections. Mr. Assad knew that, as did everybody in the Mideast.

Washington and Israel know all about Syria's role. No problem — he can count

on both to come back after the election, if Labor is returned, asking him to sign a peace treaty and offering the Golan Heights as payoff. His confidence is soundly based. Whatever offense he commits, the West, Israel and the Arab Mideast generally do nothing.

He broke his promise to the Arabs to get out of Lebanon. Nothing happened. He murdered tens of thousands of his countrymen when they challenged his rule in the Syrian city of Hama. Nothing. He made Damascus the capital of Palestinian terrorists. The United Nations placed Syria on the list of terrorist nations, but its leaders made Mr. Assad an object of pilgrimage.

The Palestinian terrorist Ahmed Jibril broadcasts from Damascus and thoughtfully offers every "Zionist settler" a choice: Get out or become "pieces of stale meat thrown on the sidewalks of Palestine."

Mr. Assad's dictatorship governs through persuasion. On thousands of political prisoners he has used such persuasion techniques as electric shocks, forced insertion of objects in the rectum, and a Syrian specialty, "the use of a chair that bends backwards to asphyxiate the victims or to fracture the spine," to quote from a report by the State Department's valuable Human Rights Bureau.

How does he get away with it? For one thing, he is plain

smarter at the Mideast game than any and all Americans since Henry Kissinger.

The Israelis, not all geniuses on Syria either, did keep him contained and worried by holding onto the Golan Heights. But ever since they agreed to give it up, they don't have much to bargain with, do they, and of course cannot emphasize the total double-crossing untrustworthiness of the man they want to give it to.

Most important is the current basic attitude toward Mr. Assad in Washington and Jerusalem. Both governments have convinced themselves that he is essential to peace in the Mideast. That is dubious, also known as baloney, now that other Arab states have managed to survive the shock of dealing with Israel.

Israeli and U.S. governments want to believe that if he takes back the Golan and signs a peace paper, zip — he will drive fellow terrorists, the Palestinian bands, from Damascus, cease using Hezbollah and Iran as proxy warriors, and forever accept Israel as a neighbor destined to become more powerful economically and politically in his own backyard, whatever the danger this would hold for his dictatorship, hence his own neck.

If you believe that fantasy, it is not hard to believe that the Hezbollah rockets and the Israeli counterattacks are merely a matter between Israel and some Lebanese guerrillas, with Mr. Assad just looking on, all bemused.

The New York Times.

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# The Rest of the World Is on the U.S. Agenda

***A rash of ethnic conflicts has been unleashed with the end of the Cold War.***

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None of this is a formula for tranquillity — or an easy time in foreign affairs in the remaining years of the century.



**Regarding "Globalization Brings a Need for Global Ethics" (Opinion, March 28):**  
A group of former heads of

of being Iranian; but I am proud of having her as a compatriot.

**F. BAKHSHAYESHI**

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## Barbican Director and Star Tame Shakespeare's Difficult 'Shrew'

By Sheridan Morley  
International Herald Tribune

**L**ONDON — Of all Shakespeare's thirty-something plays, the two most difficult to revive in an age of political correctness are undoubtedly the "Merchant of Venice," with its considerable anti-Semitism, and "The Taming of the Shrew" with its inevitable male chauvinism.

In the Gale Edwards production of "The Taming of the Shrew," newly into the Barbican to open what will be the Royal Shakespeare Company's last summer there before pulling back to Stratford and the road, both she and her star, Josie Lawrence, have a considerable triumph. Lawrence indeed, still best known

for a series of television improvisations and alternative comedy, makes the most powerful and confident Shakespearean debut in a star role that I can recall.

As for Edwards, she overcomes the sexist agony of Kate's last enforced submission to Petruchio (Michael Siberry in 1920s matinee-idol form) by framing the whole play within the usually cut dream of Christopher Sly, a prologue and epilogue used here to offset the unpleasant aftertaste of Kate's apparent defeat.

The rest of the cast seem to think they are in "Kiss Me Kate" without the songs, but in seeing the whole show as a dream, so that Petruchio awakes to find he has married his Shrew and she has remained just that, this production radically shifts the viewpoint to suit a

1990s perspective. Some of the farce is admittedly overplayed, but the dinner scene is a masterpiece of Keystone Cops agility, and unlike most attempts to bring Shakespeare into line with modern prejudice, it works like the dream now at its center.

I wish I could be as enthusiastic as

## LONDON THEATER

most of my colleagues about Martin Sherman's "Some Sunny Day" at Hampstead. The setting is wartime Cairo, and like many writers from Lawrence Durrell to Christopher Hampton, Sherman has found in the Egypt of the last 60 years some kind of refuge for true eccentricity. Here we are in the summer of 1942; the Germans are at the

gates, and Sherman has assembled as unlikely a group of eccentrics as you could hope to meet even there and then. At first we seem to be in for another kind of "Casablanca" wherein we have to sort out the traitors from the good guys, but it soon becomes all too clear that Sherman has no interest in the politics or the betrayals of the period.

Instead, he gives us the five occupants of some kind of boarding house in the city. There's Robin, a gray New Zealand journalist wonderfully campily played by a languid Rupert Everett, at any rate until it transpires that he is from outer space and has brought his own landing craft. Alec, his lover, is a British officer and gentleman with apparent delusions of being T.E. Lawrence; then there's a wonderfully

lugubrious middle-aged English diplomat (Corin Redgrave in fine, absent-minded form) describing to his ill wife the wonders of his affair with a belly dancer. There's also a grand duchess trying for a pass on the midnight train to Palestine (Sara Kestelman) and Cheryl Campbell as the murder victim.

The director, Roger Michell, gamely tries to find a path through the chaos, fails, and leaves us with several loose ends in search of a plot. By Act Two, when anything can happen, nothing really does.

At the Prince of Wales, "Elvis — The Musical" is helpfully so titled, presumably to avoid confusion with "Elvis — The Amazing Self-Exploding Cheeseburger." The show has been around in one form or another for about

20 years, but this time had to be delayed a couple of weeks until the heavy mob from Graceland could give it their undivided attention.

Unfortunately, undivided attention is what you can't give this tawdry sing-along. A book credited to two authors seems to have entirely disappeared in rehearsal, so we are left with a sort of guitar festival. Three singers play Elvis at various ages, but of Colonel Parker there is not a trace.

The single most terrifying revelation of the show, if you read the posters on the back screen intently, is that Clifford Odets was reduced to writing Presley screenplays; it is roughly akin to the discovery that while at loose ends in Paris, Sam Beckett used to write the odd number for Maurice Chevalier.

## Box Office Magic in Children's Books

By Ellen Pall

**N**EW YORK — When Walt Disney Pictures turns to Victor Hugo for the source of its annual summer mega-release (the animated "Hunchback of Notre Dame") and sinks \$40 million into a live-action recycling of its 1961 classic "101 Dalmatians" (slated to scamper across hundreds of U.S. screens at Thanksgiving), is it safe to conclude every great children's book has already been made as a movie?

One thing is sure: More favorite children's books have been given the red-carpet treatment on screen in the last three years than in the previous 20.

Major film productions of "The Secret Garden" and "The Adventures of Huckleberry Finn" in 1993 were followed by lush versions of "The Jungle Book," "Black Beauty," "Little Women," "A Little Princess," "Babe: The Gallant Pig," "The Indian in the Cupboard" and "Jumanji."

Last week, with much fanfare, Disney released a film of Roald Dahl's 1961 classic "James and the Giant Peach"; it will be followed in the coming months by cinematic treatments of, among other books, Dahl's "Matilda" and Louise Fitzhugh's "Harriet the Spy."

Family films of all kinds have been flowing out of Hollywood like a river of Hershey's syrup ever since "Honey, I Shrank the Kids" and "The Little Mermaid" in 1989, followed by "Home Alone" in 1990, demonstrated there was a huge audience for movies both adults and children could enjoy.

True, "ET" demonstrated the same thing in 1982. But at that time, people born at the peak of the baby boom — that 400-pound gorilla of demographics — were only in their mid-20s. Not until the early 1990s did the bulk of the boomers reach an age

at which they were taking children to the movies.

Both more child-oriented and entertainment-oriented than their own parents, boomers seem to have an insatiable appetite for family activities. As David Vogel, president of Walt Disney Pictures, explained, the state of family films is to some extent an attempt to supply the demand. "The biggest generation is having and growing its children," Vogel said, adding happily, "and we'll be there into the early 2000s."

The moment is especially propitious for book-based movies because many studio boomers, like other career-oriented boomers, had children late. While in the old days, a film executive's children were often grown by the time he rose to authority, today a studio vice president may well read to a child at night, then go off the next morning and green-light a project.

And it probably doesn't hurt that vice president these days is more likely than before to be a mother. The rise of women to power has been the force behind the tide of films based on classic girls' books. Mary Kay Powell, the producer of "Harriet the Spy," credits "constant calls" from women executives who loved the book in childhood with goading her to put it into production. Denise Di Novi, who produced "Little Women" before making "James and the Giant Peach," said "a collusion of women" in film made the Alcott project happen.

There are other reasons for the upsurge in family film making. Children devour videos, and video rentals — and, more important, sales — are far more likely to compensate for a poor box-office take on a children's film than a grown-up flop.

And, if a film is a hit, children go again and again. Besides, there's the merchandising. Who wants a "Dead Man Walking" tippie cup? Entertainment-based merchandising to children last year generated more than \$10 billion in retail sales.

The money matters. "Little Women" grossed over \$50 million, "Babe" more than \$60 million (and counting) and "Jumanji" more than \$94 million.

"Till recently, people thought children's movies were soft," said Catherine Hand Odell, a producer currently developing "A Wrinkle in Time" for Miramax. (Madeleine L'Engle's beloved science-fiction classic has been popular with young people ever since its publication in 1962.) "Now look, Disney bought ABC."

To a producer hoping to make a family film, a classic children's book is an attractive starting point. It has proven appeal. It has name recognition. And many conglomerates have both film and book-publishing arms.

**A** FILM based on a book may occasion a reissue, a novelization, an adaptation for younger readers and souvenir tie-ins. (Books in the public domain are also free, though what a studio saves in royalties it may lose in product placements. Jo March didn't wear Nikes.)

So children's book authors are rolling in loot, while film producers scour the bookshelves in vain, right?

Not exactly. New books for children about children are still a hard sell unless the story is "high concept," said Gail Hochman, a literary agent with several noted children's authors on her list.

Hochman has plenty of Hollywood clout: she represents the best-selling adult author Scott Turow, among others. But while a new book for adults can generate buzz, "a kid's book — it's just harder."

Ellen Pall, whose new novel, "Among the Ginzburgs," will be published in May, wrote this for The New York Times.

## A Booming Fest for 'Innovative' Nabucco

By Henry Pleasants  
International Herald Tribune

**L**ONDON — A spate of boating for "innovative" new opera productions in this operation "age of the producer" is nothing new. Producers even seem to enjoy it as a contribution to their fame (or notoriety). But the boating, catcalls and stamping of feet that greeted the Royal Opera's new production of Verdi's "Nabucco" last week was different.

This was not the boating of individual dissenters or a group of hecklers. It was as if the whole house had come down. It had nothing to do with the musical performance. Soloists, chorus, conductor and orchestra were all enthusiastically applauded. But when Tim Albery, the producer, and Anthony McDonald, his designer, appeared as the last to be called before the curtain, the audience let them have it. I have never heard anything like it in an opera house.

A curious background to this production may well have contributed to the vehement

of the demonstration. It is a co-production with the Welsh National Opera, destined to be part of the Royal Opera's seven-year coverage of Verdi's complete operatic output in June and July. It was unveiled in Cardiff last autumn, and not well received.

The London performances were to have been conducted by Sir Edward Downes. He attended a performance in Cardiff and found himself "out of sympathy" with what he saw. He withdrew from the London performances, as did the Abigail, Julia Varady.

Downes is not only a noted Verdi. He is also the Royal Opera's associate music director. That the management

(Nabucco), the Temple of Jerusalem, the Hanging Gardens of Babylon or any suggestion of a biblical setting. What we get is Auschwitz, Palestinian terrorism, fatigue-clad militia carrying Kalashnikovs, a pistol-packing Abigail, a bearded prophet Zaccaria in a business suit. That sort of thing.

Musically, as so often with abominable productions, all is in order, especially the chorus, so important to "Nabucco." Alexander Agache's Nabucco is splendidly sung, as is the Zaccaria of Samuel Ramey, although his bass-baritone lacks the weight at the bottom for a proper biblical prophet. Nina

Rautio, singing her first Abigail, is shrill at the top and doesn't always get there, but hers is a strong performance.

Filling in for Downes as conductor is a young Russian, Vladimir Jurowsky, in an impressive Covent Garden debut, although not yet sufficiently at home idiomatically in this music to give the "Va, pensiero" chorus the impetus that traditionally awards it an encore.

Further performances April 19, 22, 25 and 27 and (after changes) June 13, 15, 20 and 26.

Henry Pleasants is a London-based author and critic who specializes in music.

## A Durable 'Billy Budd'

By David Stevens  
International Herald Tribune

**P**ARIS — The once endemic sounds of defenestrations and rolling heads have died down at the Paris Opéra. The order of the day is the more or less unspectacular heavy lifting that goes with building a repertoire of reusable solidity and quality.

In that context, the entry of Benjamin Britten's "Billy Budd" at the Opéra Bastille is a case in point. The production is new to Paris, but it really is the third stage of a concept that goes back to Geneva, where the opera house was then run by Hugues Gall, who is now in charge in Paris.

So, although "Billy Budd" is hardly a repertory piece, this is no gamble. Britten, after all, is one of the key composers of 20th-century opera, and this solid and beautifully balanced production — staged by Francesca Zambello and designed by Alison Chitty — could very well carve out a durable place for this all-male opera.

The closed and brutal society of a British man-of-war during the period of the French Revolution is effectively framed by the set. A spacious upper deck is outfitted with rigging and other nautical apertures, and at key moments it elevates to show simultaneously the claustrophobic life of the lower orders.

The turmoil caused in this society by the appearance in the crew of the innocent and beautiful Billy is well handled in Zambello's straightforward and meticulous handling of the many characters. The underlying current of homosexual attraction is suggested rather than heavily laid on, and the occasional touches of symbolism — such as Billy's seeming momentarily crucified on a mast that looks like a cross of Lorraine — are not overdone. Alan Burrett's complex lighting is a key element in this staging.

Rodney Giffrey deployed his lyric baritone handsomely and was the embodiment of virile innocence in the title role. Eric Halfonson was the dark-voiced and brutal figure of evil as Claggart, who sets out to destroy Billy and does

so at the cost of his own life, and the veteran tenor Robert Tear produced a masterful portrayal of noble indecision as Vere, the ship's master, who wants to save Billy from being hanged but cannot find a way to circumvent naval regulations.

David Wilson-Johnson (Redburn), Francis Egerton (Red Whiskers), Doug Jones (The Novice) and Steven Cole (Squeak) were outstanding in character roles, and the Opéra's orchestra and chorus gave an impressive account of themselves under Gary Bertini's controlled and detailed musical leadership.

Earlier, Tchaikovsky's "Eugene Onegin" was added to the house repertoire with a strong cast and in a neoclassical, somewhat de-Russified staging by Willy Decker. Wolfgang Gussmann's set offered a kind of picture frame in which the main characters occupied the foreground. The almost total lack of furniture led to some bizarre solutions — most of the letter and poetry scribbling had to be done on the floor, and the undanced fourth-act polonaise was strictly for the ear.

The cast was headed by the strong Tatiana of Galina Gorchakova, of St. Petersburg's Kirov/Maryinsky and Dwayne Croft's smooth and subtle Onegin. Randi Stone excelled as the flighty Olga and Mikhail Kit (the Kirov's recent Prince Igor) made the most of Gremm's one long aria. But the loyal audience gave its biggest applause to the Filippovna of Rita Gorr. Alexander Aronson was the passionately idiomatic conductor.

**M**EANWHILE the Paris Opéra Ballet has been refurbishing its already substantial repertory. The Jerome Robbins program at the newly reopened Palais Garnier brought two works new to Paris. "The Four Seasons" uses little-known music that Verdi wrote for the obligatory ballets in Paris produced of his operas and provides a brilliant showcase for the entire company. In "A Suite of Dances," using various Bach excerpts, the showcase was for Patrick Dupond,

who made sparkling use of the opportunity. Revivals of "In the Skin of a Lion" and the music-less "Movements" rounded out the rich bill of fare.

Earlier, at the Bastille, a program of Balanchine Tchaikovsky ballets introduced the 40-year-old but still fresh "Allegro Brillante" to the Paris Balanchine library. If the count is right, it is something like the choreographer's 26th work for the company, which probably makes the Paris troupe the most important repository of his ballets after the New York City Ballet.

With two houses available, the 1996-97 season should see the Opéra hit an unprecedented cruising speed, with almost 350 performances of opera and ballet scheduled, and James Conlon begins his term as permanent conductor.

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of the demonstration. It is a co-production with the Welsh National Opera, destined to be part of the Royal Opera's seven-year coverage of Verdi's complete operatic output in June and July. It was unveiled in Cardiff last autumn, and not well received.

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Tuesday's 4 p.m. Close  
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Sun	25.00	+0.25
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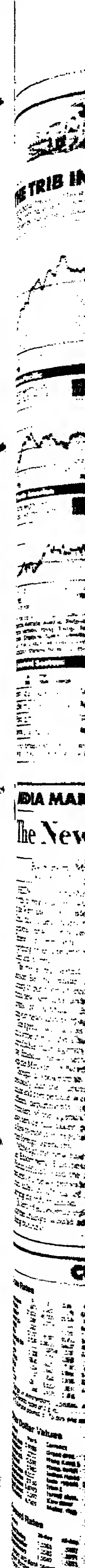
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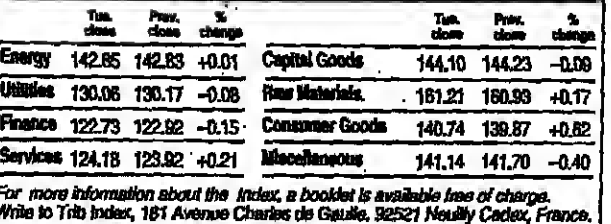
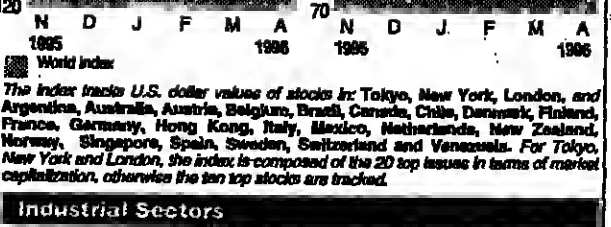
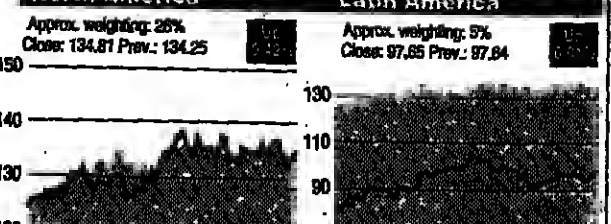
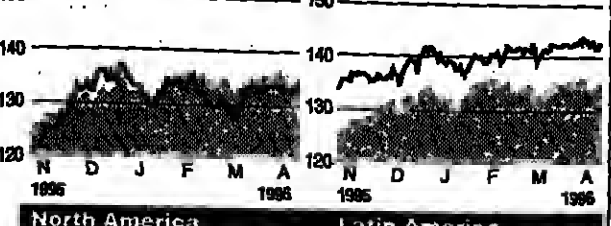
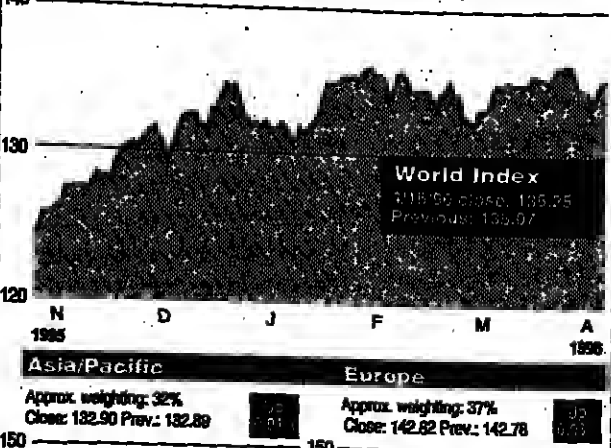
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## THE TRIB INDEX 135.25

International Herald Tribune World Stock Index, composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News, Jan. 1, 1992 = 100.



The index tracks U.S. dollar values of stocks in Tokyo, New York, London, and other major financial centers. The index is composed of the 20 top issues in terms of market capitalization, otherwise the ten top stocks are tracked.

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## Chrysler Sees Profit Double

### Strong Truck Sales Drive Net to Record

**AUBURN HILLS, Michigan** — Chrysler Corp. said Tuesday its first-quarter earnings more than doubled from a year ago as strong sales of light trucks outweighed sluggish demand for cars.

Chrysler earned \$1.01 billion in the quarter, a record for the period as the No. 3 U.S. automaker, up from \$496 million a year ago. Revenue rose to \$15 billion from \$13.6 billion a year ago.

Last year's first-quarter earnings were held down by a \$115 million charge related to Chrysler's program to replace rear lift-gate latches on 4.5 million 1984-94 minivans. The results exceeded the expectations of analysts and the company, and Chrysler shares closed up 37.5 cents, at \$62.50, on the New York Stock Exchange.

"Despite all of the weather problems in the first quarter, our retail sales still showed a healthy increase," said Robert J. Eaton, the chairman of Chrysler. He said the company's share of the U.S. and Canadian new-vehicle marketplace jumped to 16.3 percent in the first quarter from 15 percent a year ago.

Mr. Eaton said Chrysler was in "great shape" going into the spring selling season.

"Our overall vehicle inventories are right where we like to see them," he said. "Demand for minivans, sport utility vehicles and pickup trucks remains very strong."

(AP, Bloomberg)

### Caterpillar Earnings Slump

Caterpillar Inc.'s first-quarter earnings slipped to \$296 million from \$300 million a year ago, hurt by lower U.S. sales, Bloomberg Business News reported from Peoria, Illinois.

Revenue for the quarter slipped to \$3.84 billion from \$3.91 billion as U.S. sales fell 5 percent. Sales outside the country were steady.

## U.S. Banks Profit

### Trading Gains Lift Earnings

**NEW YORK** — Leading U.S. banks reported strong first-quarter profit gains on Tuesday, lifted by interest income from domestic investments and loans in developing countries.

The rising stock market also fastened results at Chase Manhattan Corp., Bank One Corp., Mellon Bank Corp. and Wells Fargo & Co., which benefited from high trading revenue. But Citicorp's trading revenue was flat.

Chase Manhattan, the country's largest banking company, posted a net loss of \$89 million because of the one-time \$1.65 billion cost of the Chemical Banking Corp. merger. But excluding that cost, profit rose 44 percent, to \$937 million from the year before.

Chase's operating expenses rose a benign 2 percent, to \$2.4 billion from \$2.36 billion.

Citicorp's profit rose 10 percent, to \$914 million. Strength from loans in developing countries offset soft results in trading and other operations. John S. Reed, the Citicorp chairman, said, "It was a solid quarter, continuing very much on our plan."

Net income from banking in the emerging markets rose 7 percent, to \$393 million in the quarter. The strength in the emerging market business reflected broad busi-

ness growth in Latin America and Asia Pacific. But trading-related revenue was flat from the previous year at \$342 million. This was counter to a trend at other banks, which have relied heavily on trading income from the rising stock market for revenue.

Bank One Corp. posted record results of \$346 million, up from \$303 million a year earlier. Interest income increased 20 percent, to \$1.2 billion.

The bank increased its allowance for risky loans to \$1 billion from \$938 million in the fourth quarter of 1995, reflecting a rise in credit card balances.

Wells Fargo's earnings rose 13 percent, to \$264 million. Wells Fargo merged with First Interstate Bancorp. earlier this year but reported First Interstate's earnings separately. First Interstate posted a loss of \$22.5 million compared with earnings of \$212 million a year earlier.

Mellon Bank said first-quarter profit rose 6 percent, spurred by increased income from fees. The company's net income rose to \$188 million from \$178 million.

(AP, Bloomberg, Reuters)

## LeBow Concedes Battle to RJR

**NEW YORK** — Bennett S. LeBow conceded defeat Tuesday in his six-month effort to split RJR Nabisco Holdings Corp. into separate food and tobacco businesses.

"It's pretty clear we are not going to win," Mr. LeBow said of his nominees to RJR's board of directors, which will be up for election Wednesday at the company's annual meeting.

"Although this result is obviously disappointing, it comes as no surprise to us," he said. "We always knew we were facing an uphill battle, made even tougher by the swirl of recent events in the tobacco industry."

Mr. LeBow and Carl C. Icahn control nearly 7 percent of RJR stock. The two wanted the maker of Winston cigarettes and Oreo cookies to spin off the 80.5 percent stake it owns in the Nabisco food business to RJR shareholders. Mr. LeBow said he would continue to push for the split.

"We continue to believe strongly in the Nabisco spin-off," he said. "We're absolutely convinced it can and should be done now, not a year from now, not two years from now, not three years from now — but now."

The battle to split RJR heated up last month, with Mr. LeBow's decision to break ranks with the tobacco industry and have Liggett Group, which he controls, settle a

class-action suit by smokers and five states seeking to recover billions of Medicaid dollars spent on treatment of smoking-related illnesses.

Mr. LeBow had hoped the settlement would erase liability questions that have weighed on tobacco company stock prices. RJR had cited tobacco lawsuits as one reason not to split the company.

Other tobacco companies vowed to fight the suit and RJR's stock fell as investors grew concerned that the settlement undermined tobacco's long winning streak in court. RJR owns the nation's second-largest tobacco company, R.J. Reynolds Tobacco, which makes Camel cigarettes.

RJR refused to comment on Mr. LeBow's announcement Tuesday, citing the Wednesday vote. (AP, Bloomberg, Knight-Ridder)

### Ember Loses Round at UBS

Union Bank of Switzerland's shareholders elected Robert Sander, the former chief executive, as chairman on Tuesday, handing a defeat to the activist shareholder Martin Ember and a vote of confidence to the bank's management. Bloomberg Business News reported from Zurich.

Mr. Sander's victory gives him charge over the country's largest bank at a time when the Swiss banking industry is coming to terms with potential mergers, job cuts and growing shareholder pressure.

## Japan Talks Seek to Break Telecom Deadlock

**By Alan Friedman**  
International Herald Tribune

**PARIS** — Top officials from the world's major trading nations will use a three-day meeting in Japan starting Friday to seek a compromise to the current deadlock over efforts to reduce barriers in the world telecommunications industry, officials said.

The meeting of the so-called Quadrilateral Group brings together trade ministers from the United States, Japan, the European Union

and Canada. The gathering in Kobe will also discuss issues such as China's negotiations to join the World Trade Organization, as well as a possible joint initiative in the field of information technology.

But a U.S. official said in an interview Tuesday that "telecoms is our biggest issue because we have a fast-approaching April 30 deadline in these talks."

Last month Mickey Kantor, the commerce secretary-designate and former U.S. trade representative, issued a blunt warning that the telecoms trade talks could collapse by April 30 unless Europe and Japan agreed to match Washington's offer of unrestricted market access for foreign companies. Since then the talks have made no progress.

At the meeting this weekend, Washington is hoping that there will be enough agreement on how to move forward to allow all parties to return to the negotiating table in Geneva with an effort to persuade other nations to also improve their offers.

On Beijing's long-running struggle to join the WTO, the four ministers will again endorse the idea of admitting China, but they are likely to insist on more market-opening measures, meaning both tariff reductions and non-tariff moves such as reducing certain statutory inspections.

The issue of China will also arise in a U.S.-Japan meeting between Shunpei Tsukahara, the minister of international trade and industry, and Charlene Barshefsky, who is the acting U.S. trade representative.

## MEDIA MARKETS

### The News on China's Terms

**By Steven Mufson**  
Washington Post Service

**BEIJING** — Brushing aside three months of negotiations with news agencies in the West and U.S. trade representatives, China has issued rules requiring foreign economic news services to submit to Chinese government regulation of everything from content to client lists to pricing.

The move reassured a decision Beijing made in January to put foreign economic news services under control of Xinhua, the state-run news and propaganda agency.

The agency will act as regulator, censor and competitor in the Chinese market. The unprofitable state agency has launched its own financial news service in a venture with the Ministry of Nonferrous Metals.

Through a spokesman for Xinhua said previously that the functions of regulator, censor and competitor would be handled by different departments, other sources said promoters of the agency's own economic news service had taken part in discussions on how to monitor, regulate and extract fees from foreign agencies.

[Although the new rules did not specify a fee, Bloomberg Business News reported, Xinhua officials said the charge would be 7 percent of a news provider's gross revenue from sales in China of terminals for receiving its information.]

[Users of economic information in China said the change would add to their costs of doing business.]

"It's not a crisis; we'll just have to pay more," said John Crossman, the Shanghai general manager for Jardine Fleming Holdings Ltd. "My data charges are already outrageous, so adding 7 percent is no big deal."

[A U.S. State Department spokesman quoted by Reuters said Tuesday of China's move: "We oppose it on principle. We stand for the free flow of information and freedom of the press."

[As China tries to reform its economy, we assume they will find this a very difficult proposition to execute." The spokesman added, "In the age of personal computers and faxes, it doesn't seem to us to be something that will work."

Executives based here said they saw the regulations as an effort by some in the government to exercise increased control over proliferating electronic information services, as well as an attempt by the heavily subsidized Xinhua to reassert its former monopoly power and extract a share of profit from the fast-growing business.

Analysts have said China's restrictions on financial news agencies could hinder its efforts to join the World Trade Organization and its drive to turn Shanghai into a major financial center. Under the rules issued late Monday, foreign agencies must apply in writing to the state-run news agency for permission to distribute economic news in China. They must provide

See NEWS, Page 18

## Charges Widen Loss At Olivetti

**Compiled by Our Staff From Dispatches**

**IVREA, Italy** — Olivetti SpA said Tuesday that a huge charge to fire thousands of workers and revamp its struggling personal-computer unit helped widen its loss to a record 1.60 trillion lire (\$1.02 billion) last year.

It was the fifth consecutive yearly loss for the Italian computer-and-office-products company, which took a charge of 1.12 trillion lire last year. In 1994, Olivetti posted a loss of 678.9 billion lire.

But the company posted operating profit of 114 billion lire, reversing an operating loss of 16.7 billion lire in 1994 and marking the first such profit in four years. Sales rose to 9.84 trillion lire from 9.08 trillion lire in 1994.

The company, which raised 2.3 trillion lire from investors in a December rights issue, said the computer unit's bottom line broke even in February and March this year and that shipments of new computers rose 28 percent.

Olivetti said the losses and charges taken in 1995 were a necessary step in its transformation into a telecommunications company.

(Bloomberg, AFX)

Exceptional service demands personal attention as well as

genuine concern for the financial well-being of our clients.

And so we run our bank according to one fundamental

principle: to protect our clients' capital as we safeguard

its purchasing power.

It is a simple principle upon which we base our

brand of financial conservatism: private banking built

upon rigor, discipline and prudence. This sophisticated

conservatism, vigorously pursued, has created a global

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BY SERVING PRESENT CLIENTS  
EXCEPTIONALLY WELL.

private bank of exceptional stability, capable of weathering the roughest storms.

Indeed, Republic's capitalization ratio, on a risk adjusted basis, is three times as great as that required by the world's international banking regulators.

To our way of thinking, it is security as well as return that we must ensure each day. And in the process, to provide a unique quality of service, understanding and discretion.

A wealth of integrity. Republic National Bank.

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## CURRENCY & INTEREST RATES

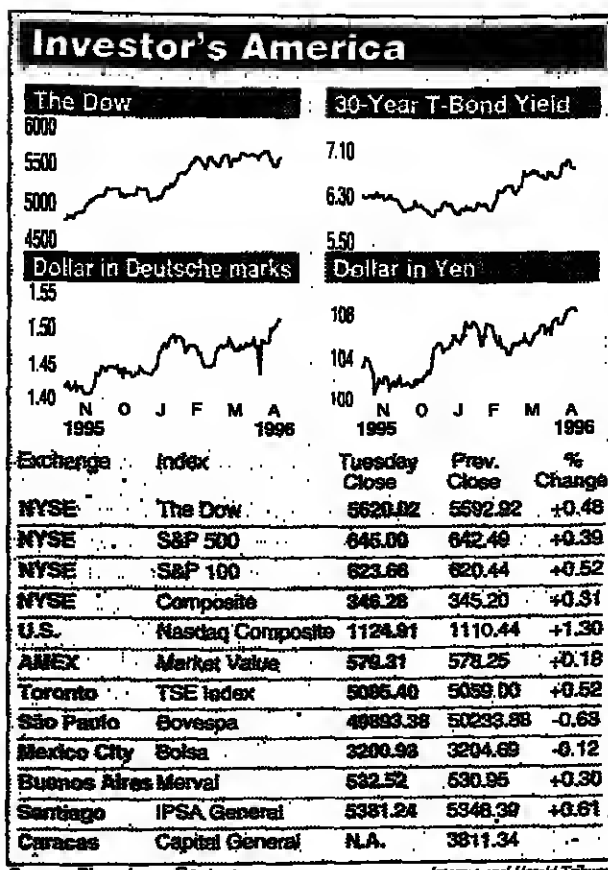
April 16									
Cross Rates	USD	EUR	GBP	JPY	AUD	NZD	HKD	TWD	THB
Australia	1.00	0.65	0.50	106.50	0.70	0.55	7.75	20.50	3.40
Canada	1.00	0.65	0.50	106.50	0.70	0.55	7.75	20.50	3.40
France	1.00	0.65	0.50	106.50	0.70	0.55	7.75	20.50	3.40
Germany	1.00	0.65	0.50	106.50	0.70	0.55	7.75	20.50	3.40
Italy	1.00	0.65	0.50	106.50	0.70	0.55	7.75	20.50	3.40
Japan	1.00	0.65	0.50	106.50	0.70	0.55	7.75	20.50	3.40
South Africa	1.00	0.65	0.50	106.50	0.70	0.55	7.75	20.50	3.40
Switzerland	1.00	0.65	0.50	106.50	0.70	0.55	7.75	20.50	3.40
U.K.	1.00	0.65	0.50	106.50	0.70	0.55	7.75	20.50	3.40
U.S.	1.00	0.65	0.50	106.50	0.70	0.55	7.75	20.50	3.40

April 16									
Eurocurrency Deposits	1-month	3-month	6-month	9-month	12-month	18-month	24-month	36-month	48-month
USD	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50
EUR	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50
GBP	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50
JPY	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50
AUD	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50
NZD	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50
HKD	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50
TWD	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50
THB	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50

April 16									
Key Money Rates	1-month	3-month	6-month	9-month	12-month	18-month	24-month	36-month	48-month
USD	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50
EUR	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50
GBP	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50
JPY	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50
AUD	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50
NZD	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50
HKD	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50
TWD	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50
THB	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50



## THE AMERICAS



## Very briefly:

## Phone Company Earnings Surge

NEW YORK (Bloomberg)—Earnings at three of the biggest U.S. telecommunications companies surged, the companies said Tuesday as businesses and consumers hooked up phone lines to take advantage of the Internet and other data services.

Sprint Corp. led the group with a 39 percent increase, its best quarter in a decade. Ameritech Corp.'s earnings rose 14 percent, while GTE Corp. posted a 12 percent increase.

The profit increases reflect the growing use of computer services, faxes and second phone lines that let people work from home. The results come as a new regulatory environment starts to create opportunities for phone companies in the \$200 billion-a-year U.S. telecommunications market.

In Sprint's local-phone operations, the number of phone lines rose 5.1 percent, among the highest growth rates in the industry. Sprint said operating profit in long distance rose 47 percent to \$226 million from \$154 million. Revenue rose 14 percent to \$2 billion from \$1.75 billion.

Weyerhaeuser Co. said its profit fell 31 percent in the first quarter from a year ago, due largely to a retreat in pulp and paper prices. The company said it earned \$142 million, or 72 cents a share, compared with \$206.6 million, or \$1.41 a share.

Mattel Inc. said its first-quarter earnings rose 11 percent on strong sales of Barbie, Fisher-Price, Hot Wheels and Cabbage Patch dolls. The world's largest toy maker had net income of \$29.9 million, or 11 cents a share, compared with \$27 million, or 9 cents a share a year earlier.

Hilton Hotels Corp. said first-quarter earnings rose 14 percent on higher room rates and occupancy at its hotels. The company had net income of \$36.6 million, or 75 cents a share, up from \$32 million, or 66 cents a share.

McAfee Associates Inc. confirmed that it had offered \$1 billion for Cheyenne Software Inc. and expressed surprise Cheyenne had publicly announced the offer. Cheyenne disclosed it had rejected a \$27.50 per share bid. AFP, Bloomberg, AP

## Shock Therapy in Venezuela

The Associated Press

CARACAS — Reversing two years of state economic controls, President Rafael Caldera has ordered a free-market shock program aimed at rescuing Venezuela's faltering economy.

Saying that Venezuelans will suffer temporarily to bring about "the construction of a new country," Mr. Caldera said the government would lift currency controls and increase taxes.

"We are taking these measures because we have to take them," the president, 80, said Monday night. The measures are intended to curb an inflation rate that is Latin America's highest, shrink the budget deficit and attract the type of foreign investment that has spurred the economies of Argentina and Peru.

Gasoline prices, a politically sensitive issue in this oil-rich country, will rise, with the cost of the

lowest octane soaring nearly nine-

fold from 57 percent during the past two years. Unemployment is at 11 percent, by government estimate.

Mr. Caldera last week described Venezuela as a "house on fire."

The measures announced Monday have the backing of the International Monetary Fund, which reportedly is prepared to approve a \$2.5 billion loan.

In 1985, when President Carlos Andres Perez adopted similar free-market measures, riots ensued that put his government on the defensive and set the stage for two attempted coups in 1992.

In 1993, he was impeached on corruption charges. Mr. Caldera won election by campaigning against Mr. Perez's free-market policies.

"I can't feel like it's a vindication," Mr. Perez said, "because it's the Venezuelan people who have suffered the consequences."

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## Cigarette Sales Lift Philip Morris

Compiled by Our Staff From Dispatches

NEW YORK — Philip Morris Cos. said Tuesday that strong demand for cigarettes helped first-quarter net profit rise 17 percent.

The maker of Marlboro cigarettes, Kraft cheese and Miller beer had net income of \$1.57 billion, up from \$1.34 billion a year ago. Revenue rose to \$17.49 billion from \$16.52 billion.

U.S. tobacco earnings rose 11 percent, to \$971 million, as the retail market share held by its premium brand Marlboro climbed to a record 32.4 percent. Profit from international tobacco operations rose 17 percent, to \$1.1 billion, as stronger sales and higher prices offset unfavorable currency movements.

"Our results out of the starting gate are very strong as our worldwide

tobacco business continues its explosive growth and our North American food business makes impressive progress," said Geoffrey C. Bible, chairman and chief executive.

Worldwide food revenue rose 10 percent, to \$7.1 billion, as increased volume and expansion in emerging markets offset by rising marketing costs. North American food profit rose 6.5 percent. (Bloomberg, APX)

## Dollar Sags on Japan Rate Fears

Compiled by Our Staff From Dispatches

NEW YORK — The dollar fell against the yen on Tuesday after comments by Japan's top central banker prompted speculation the country might raise interest rates.

Bank of Japan Governor Yasuo Mutsuhashi told a Japanese parliamentary committee that keeping rates low for an extended period in the 1980s contributed to the "bubble" economy that burst at the end of the decade.

Traders interpreted Mr. Mutsuhashi's comments to mean the central bank might consider boosting Japan's present low rates. That stemmed the yen's recent decline against the dollar because high rates would make deposits in yen more attractive.

"There's a little bit of a pause today because of Mutsuhashi, but the

fundamentals still seem to be pretty positive for the dollar," said Jeffrey Brummette, a managing director at Prudential Global Advisors in Short Hills, New Jersey.

The dollar fell to 108.225 yen,

down from 108.585 yen on Monday. It fell to 1.5101 Deutsche marks from 1.5129 the dollar was at 1.2301 Swiss francs, down from 1.2353, and 5.1233 French francs, down from 5.1378.

The dollar had rallied recently against the yen and the mark, helped by the view the U.S. economy was strong enough to keep the Federal Reserve Board from cutting interest rates. That comes at a time when many analysts think European rates

are headed lower and the Bank of Japan is charging commercial banks a short-term rate of just 0.5 percent.

Separately, Franz Christoph Zeidler, a Bundesbank council member, said exchange rates no longer posed an obstacle to Germany exports now that the mark has fallen from its postwar high against the dollar set in March 1993.

Many traders are betting on a cut in rates by Germany's central bank to buy the country's faltering economy. Some expect the cut could come as early as Thursday, when the policy-making council is to meet.

But a rate cut is not certain, some traders said, citing comments Tuesday from Hans Tietmeyer, Bundesbank president. Mr. Tietmeyer said monetary policy was not to blame for slow growth in Western Europe. (Bloomberg, APX)

## FOREIGN EXCHANGE

## U. S. STOCK MARKET DIARY

Compiled by Our Staff From Dispatches

NEW YORK — The Dow Jones Industrial Average rose 1.23 points to 5,230.45 on Tuesday, helped by gains in technology and health care stocks.

The S&P 500 rose 0.18 points to 345.20. The Nasdaq Composite rose 1.10 points to 1,110.44. The Russell 2000 rose 0.18 points to 345.20.

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## Earnings Propel Rally In Technology Stocks

Compiled by Our Staff From Dispatches

NEW YORK — Stocks rose Tuesday, led by technology issues after a strong earnings report by Intel, the world's biggest chipmaker, eased worries about sluggishness in the industry.

Intel jumped 4 1/4 to 64 1/4 a day after reporting first-quarter earnings that surpassed analysts' forecasts. Intel also was modestly upbeat on the outlook for the current quarter.

"The nine-month bear market in the high-tech is winding down," said Alfred E. Goldman, vice president of A.G. Edwards & Sons in St.

Louis. "If the group starts to rebound, that would provide important leadership to the market."

The technology rally helped lift the Nasdaq composite index to a record 1,123.04 points, up 12.60, and spilled over into the broader market. Gaining issues outnumbered losers by a 13-to-10 ratio on the New York Stock Exchange.

The Dow Jones industrial average closed up 27.10 points, at 5,230.45.

"The earnings in a few key companies has been better than expected," said Robert Borkowski, a portfolio manager at Philadelphia Investment Management Group.

"In the past month, people have gotten more optimistic about the economy, and I don't think earnings expectations were raised in line with that newfound confidence."

Sun Microsystems helped lead computer stocks higher, rising 17 1/2 to 50 1/2, also getting a lift from strong earnings. IBM rose 1 1/2 to 115 1/2 and Motorola gained 1 1/2 to 58 1/2.

Drug stocks were strong, with Johnson & Johnson gaining 1 1/2 to 91 1/2 after reporting first-quarter net income of \$790 million, up from \$654 million a year ago.

Revenue rose to \$5.33 billion from \$4.50 billion, lifted by strong sales of the anti-psychotic medication Risperdal and a coronary stent used to clear blocked arteries.

Pfizer fell 3/4 to 69 despite reporting a 23 percent increase in first-quarter earnings, to \$517.2 million. While sales rose to \$2.68 billion from \$2.34 billion a year ago, sales of Procardia XL, Pfizer's most successful heart disease drug, fell 7 percent.

Paper and packaging stocks rallied after Merrill Lynch raised its price target for International Paper and six other companies to a medium-term accumulation.

"The upside for bonds is not going to be tremendous," said Lauren Best at Advertiser Capital Management. "The economy looks strong." (Bloomberg, AP)

pany's second-highest rating. Boise Cascade rose 3/4 to 46, Champion International gained 2 1/2 to 49 1/2, Stone Container rose 1 1/2 to 41 and International Paper rose 1 to 41.

Petroleum drilling stocks were strong, benefiting from a rally in crude oil prices over the past month. Helmerich & Payne rose 3/4 to 37, Schlumberger gained 2 to 84 1/2 and Halliburton rose 1 1/2 to 56 1/2.

Schlumberger and Halliburton were seen as "attractive" at Bear Stearns.

Among other issues, Cephalon, which makes drugs to treat neurological diseases, rose 3/4 to 31 1/2 and Chiron 1 1/2 to 96 after the companies said they planned to seek approval this year for their drug to fight Lou Gehrig's disease.

Nellcor Puritan Bennett fell 1 1/2 to 50 1/2 after the designer of respiratory-care products reported third-quarter earnings that fell below Wall Street estimates. Nellcor said its home-care sales were hurt by the termination of an independent distributor network and the transition to a direct sales force.

Qualcomm fell 6 to 33 after the maker of wireless communications equipment reported a steep decline in second-quarter earnings. Qualcomm earned \$1.5 million, down from \$6 million a year ago. Qualcomm blamed the lower earnings on a decline in license and development fees.

Middlebury rose 2 to 9 1/2 after the company and Germany's Ubert Gastrotechnik GmbH said they had invented a greaseless french fry cooker that still makes fries taste greasy.

Noram Energy rose 1 1/2 to 10 1/2 after an analyst at Smith Barney upgraded his opinion on the natural gas distributor to buy from neutral.

In the bond market, prices were underpinned by evidence of slower manufacturing, which eased concern that the Federal Reserve Board may be ready to raise overnight lending rates to stave off an increase in inflation.

A government report showed that plants, mines and utilities ran at 82.5 percent of capacity in March, down from 83.2 percent in February.

The price of the benchmark 30-year Treasury bond rose 1/32 point, to 89 29/32 and the yield was nearly steady at 6.79 percent.

"The upside for bonds is not going to be tremendous," said Lauren Best at Advertiser Capital Management. "The economy looks strong." (Bloomberg, AP)

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EUROPE

# Wall Street Leads U.K. Stocks to High; German Shares Slip

**LONDON** — British stock prices rose to record levels for a second consecutive day Tuesday, helped by a leap of 1.1 percent in U.S. shares Monday, but German shares eased. The FT-SE 100-share index, which was up 23.70 points to a record on Monday, strengthened its advance with a rise of 34.80 points, or 0.92 percent, to 3,825.30.

Frankfurt's 30-share DAX index, which also set a record Monday, eased 7.56 points, to 2,538.38, as a weakening dollar dimmed prospects for German exporters.

The dollar looked a bit wobbly this morning, and that brought the market down a touch, said a Hamburg dealer said of German stocks.

Looking at the London market, Richard Kersley, an equity strategist for Barclays de Zoete Wedd, said short-term conditions were "quite good," as British stocks had performed "pretty badly relative to other markets, and there is a suggestion that it's now playing catch-up."

"If we manage to stay above 3,800 for the next two or three days, I see no reason that we shouldn't push ahead toward 3,900 or even 4,000," said Ian Hammett, head of strategy at Societe Generale Strauss Turbail.

Some other traders, however, said doubts about the survival of the current Conservative government and

data due this week on unemployment, earnings and public borrowing could limit the market's gains.

Concern about the dollar arose after the Bank of Japan's governor, Yasuo Mutsutani, said Japan's prolonged easy money policy had contributed to the country's unstable "bubble" economy of the 1980s.

The comment indicated Japanese interest rates might be headed higher, attracting investors to the yen.

In Europe, however, bond prices rose amid optimism that moderate economic growth and subdued inflation would lead to interest-rate reductions.

The yield on the 10-year German government bond fell six basis points, to 6.40 percent, and the 10-year British government bond was yielding 8.02 percent, down six basis points.

(Reuters, Bloomberg)

## German Economy Show

Germany will be unable to meet the government's forecast of 1.5 percent economic growth this year, Economics Minister Ginter Rexrodt said Tuesday in an interview with the daily newspaper Flensburger Tageblatt, Agence France-Presse reported from Bonn.

His statement marks the first time the government growth forecast for this year has been officially corrected.

# Internet With Elan France Telecom Launches Its Service

By Barry James  
International Herald Tribune

**PARIS** — France Telecom, the state-owned telecommunications operator, launched its Internet service Tuesday, hoping to lure a million French speakers into using the global network of networks by offering them a rare degree of user-friendliness in their own language.

About the only thing un-French about the service is its pseudo-English name, Wanadoo, chosen because it sounded hip, and because no one else had registered it, officials said.

Facing increasing competition as the European telecommunications market heads for deregulation by 1998, France Telecom is playing catch-up with the U.S. operators CompuServe and America Online Inc., and a couple of French networks that already offer Internet access as well as a range of proprietary services.

It is also competing with many existing Internet access providers, offering a range of services and prices in France.

Nevertheless, officials at France Telecom Interactive, the operating subsidiary for Wanadoo, said they hoped to capture a major share of the market by offering a competitively priced service, fast access and ease of use.

The service offers open access to all Internet services — includ-

ing the World Wide Web, e-mail and news groups — and limited access from the Internet at http://www.wanadoo.fr. It provides extensive on-line help in the language of Moliere, telling users where to look for information on the Internet and how to retrieve it.

Another advantage is that the service costs the price of a local call from any part of France. The monthly subscription is 55 francs, tax included, for three hours of connection, or 110 francs for 15 hours. Additional hours cost 19 francs and there is a one-time registration fee of 190 francs.

French users will find many points in common with the domestic Minitel telex service pioneered by France and used regularly by about 14 million people and offering some 25,000 on-line services from travel reservations to help with homework. Minitel services, including the national phone directory and directories for other countries, will be directly available from Wanadoo.

The new service is also open, like Minitel, to providers of goods and services, including news media and educational establishments. France Telecom said it would introduce a secure method of payment on line this year.

Wanadoo is equipped with Netscape, but officials said it could be adapted to virtually any browser.

# Paris Banker Calls for End To State Role In System

Agence France-Presse

**PARIS** — The chairman of Societe Generale warned on Tuesday that the government might kill the French banking industry if it did not end special arrangements that distort the marketplace.

Marc Violette, who has already broken ranks with the French banking establishment by challenging a huge state rescue of Credit Lyonnais, said that privileges for the postal service, savings banks and mutual banks might drive the big commercial banks out of business.

Such bluntness is rare in the French establishment, in which top figures have traditionally moved between government offices and key jobs in the private sector.

This attack on the deep-rooted role of the government in the financial system was seen as underlining the extent of problems in the sector.

Mr. Violette, in an article in the daily newspaper Le Monde, argued that either the state accept that the rules must change "or it will continue to look after the special interests of each establishment."

He said that in that case "the financial picture will be simple" in a few years — "there will be no more international banking companies based in Paris and playing a major role in the world economy."

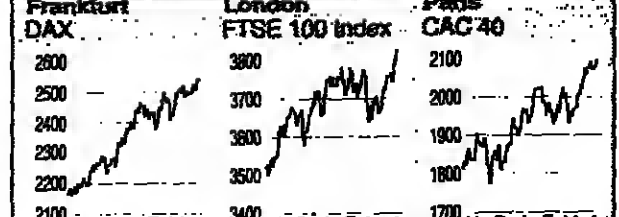
There would be only "domestic banking networks in France, prospering under the shelter of their privileges and a postal bank that the state, being short of funds, will decide to privatize one day."

He said that while there was still time, a simple and democratic rule should be applied: "The same rules for all" and the elimination "of the active causes of distortions of competition."

He urged the state to cease as soon as possible acting as a key shareholder, "a role in which, it is clear, it scarcely excels," a remark seen as a reference to the collapse of Credit Lyonnais.

"Let the state protect depositors from ruin. But it must not take funds from the public to put badly-managed banks on artificial respiration," he said.

## Investor's Europe



Exchange	Index	Tuesday	Close	Prev.	Change
Amsterdam	SOE	548.23	548.00	-0.41	
Brussels	Stock Exchange	9,041.63	8,994.09	+0.53	
Frankfurt	DAX	2,538.38	2,545.94	+0.30	
Copenhagen	Stock Market	394.36	392.77	+0.40	
Helsinki	HEX General	1,841.60	1,838.34	+0.12	
Oslo	OBX	444.37	447.74	-0.76	
London	FTSE 100	3,825.30	3,790.50	+0.92	
Madrid	Stock Exchange	3,461.51	3,448.45	+0.04	
Paris	CAC 40	2,538.38	2,500.59	+0.31	
Stockholm	SK 16	1,594.69	1,592.28	-0.67	
Vienna	ATX	1,885.72	1,884.54	-0.61	
Zurich	SPI	2,388.06	2,395.82	+0.33	

Source: Reuters International Herald Tribune

## Very briefly:

• Banco Espanol de Credito SA's first-quarter net profit rose nearly 48 percent from a year ago, to 6.98 billion pesetas (\$55.36 million), helped by cost-cutting and a turnaround in income from its trading portfolio.

• Hanson PLC has sold its Eveready South Africa Ltd. battery unit to Duracell International Inc. for \$25 million (\$124.63 million).

• Reuters Holdings PLC's sales rose 14 percent in the first quarter, to £713 million (\$1.08 billion), led by growth in transaction products.

• Philipp Holzmann AG's shares plunged more than 6 percent, to 510 Deutsche marks (\$338), after the company said it expected to post a net loss of 360 million DM in 1995 because of weakness in the real estate market.

• Pro Sieben Television AG has formed a unit to develop and market digital TV programming using Kirch Group's so-called d-box set-top decoder.

• Italy's gross domestic product contracted 0.9 percent in the fourth quarter of 1995 from the third quarter but grew 3 percent for the year and 2.3 percent from the fourth quarter of 1994.

• Vendex International NV's net profit rose to 415 million guilders (\$245.85 million) in the year to Jan. 31 from 385 million guilders the previous year as improvements in its staffing services and real estate units were countered by a decline in income from retail operations.

• Clarins SA's net income rose to 205.2 million French francs (\$40.04 million) last year from 179.4 million francs in 1994 as sales surged at its perfume and makeup divisions.

• Roche Holding AG has sold its liquid-crystals unit to Merck KGaA as part of an effort to streamline operations. Terms were not disclosed.

Bloomberg, AFP

# WPP Takes Careful Steps Toward Expansion

By Stuart Elliott  
New York Times Service

**NEW YORK** — The world's largest advertising agency company, WPP Group, is cautiously putting expansion back on its agenda — including investments in new media in the United States — after returning from the brink of extinction.

"Given where our business is concentrated, it makes sense to grow through acquisition," said Martin Sorrell, chief executive of WPP of London.

Mr. Sorrell said WPP, which bought 5 percent of the Hotwired on-line service from Wired Ventures, plans to make a similar investment "in the next couple weeks," with the goal of having "investments of a couple million dollars in four or five situations."

WPP billings rose 15.2 percent last year, to \$2.7 billion, according to the trade publication Advertising Age. WPP holdings include the global agency chains Ogilvy & Mather Worldwide and J. Walter Thompson Co. as well as a smaller

network, Conquest Europe, and shops that specialize in corporate identity consulting, direct marketing and health care advertising.

Mr. Sorrell said WPP was interested in acquiring an Asia-Pacific market research company, as part of efforts to "focus on the faster-growing parts of the world."

He added that the thought of buying a small, creatively focused agency — one of the so-called hot shops so eagerly sought by cutting-edge clients — was "a fairly seductive idea" that WPP executives

were "actively thinking about."

But Mr. Sorrell discouraged any suggestions that WPP might embark on a buying spree. Debits taken on during an acquisition binge that began after Mr. Sorrell took control of WPP in 1986, which were aggravated by the worldwide advertising recession, forced WPP to withdraw an eyelash of going under.

"Obviously, we've come through a difficult time," Mr. Sorrell said. "The point is: It has to be carefully done, carefully thought through."

## WORLD STOCK MARKETS

Tuesday, April 16					High Low Close Prev.					High Low Close Prev.					High Low Close Prev.					High Low Close Prev.					High Low Close Prev.					High Low Close Prev.					High Low Close Prev.																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																															
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**NYSE**

**Tuesday's 4 p.m. Close**  
(Continued)

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*[The page contains dense, illegible handwritten text, likely bleed-through from the reverse side.]*

[illegible]**NASDAQ**

**Tuesday's 4 p.m.**  
The 1,000 most-traded National Market securities  
in terms of dollar value, updated twice a year.  
*The Associated Press.*

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12 Month	High	Low	Stock	12 M	YTD	PE	52 Wk	High	Low	Volume	Crus
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## ASIA/PACIFIC

# Chinese CD Piracy Raises Prospect Of U.S. Tariffs

By Patrick E. Tyler  
New York Times Service

BEIJING — The U.S. government has warned Chinese leaders that their failure to comply with a 1995 agreement on copyright piracy is undermining President Bill Clinton's credibility in Congress and will compel Mr. Clinton to impose tariffs on as much as \$2 billion of Chinese imports next month, Westerners who were briefed by U.S. officials said.

The ultimatum was delivered by Charlene Barshefsky, the acting

U.S. trade representative, who held two days of talks here last week.

Ms. Barshefsky was said to have conveyed the prevailing view among Mr. Clinton's advisers that the president would have difficulty seeking renewal from Congress this spring of China's most-favored-nation trading status if Beijing continued to tolerate a rampant trade in pirated American music, films and computer software.

Mr. Clinton must make his recommendation to renew China's low-tariff trade privileges by June 3. Some U.S. legislators have said they intend to challenge any such recommendation in retaliation for China's military intimidation of Taiwan, poor human-rights record and failure to honor previous trade accords.

In this election-campaign year, Mr. Clinton's advisers are said to be concerned that he maintain a firm stance on China, particularly on its obligations under the protocol signed in February 1995.

That agreement called for a "special enforcement period" of one year in which China would close 29 factories that were producing as many as 45 million unlicensed compact disks annually, trademark or royalty agreement with the copyright holders in the United States and other countries.

Mickey Kantor believes that the administration has to hit China with a big stick to fend off Congress, said one Westerner who had been briefed on the trade talks, referring to the former U.S. trade representative whom Mr. Clinton appointed commerce secretary Friday. "So they are coming at it from the standpoint of, 'To save MFN, what do you do?'"

Ms. Barshefsky was said to have presented Beijing with a detailed "plan of action" that requires the government to either shut down or bring into compliance with copyright laws the majority of the pirate factories still operating in China.

"The plan of action does not require that they shut all of them down immediately," a Western executive said, "but rather it was, 'Shut these down, license these, and these others we can live with.' But it was a very specific plan of action, and I hear the Chinese reaction was extremely negative."

# Taiwan's Pulsating Market Stocks Poised to Rise as China Tension Eases

By Kevin Morphy  
International Herald Tribune

When it comes to buying Taiwan stocks, local investors know that it pays to keep an eye on the crystal ball of politics.

Taiwan stocks fell 3 percent Tuesday as the market reacted to reports that some institutional investors with links to the government or ruling party had stepped off the roller-coaster market that now characterizes trading in Taipei.

But after sharp gains in the previous 11 days of trading and a 26 percent rise in the benchmark index, to 5,938.22, from a mid-March low, most traders welcomed the drop as a necessary breather before the market advances further.

"If the market zooms to 7,000 in April, what's left for the celebration of Lee Teng-hui's inauguration in May?" said Sam Lam, manager at the Taiwan Growth Fund for Invesco in Hong Kong, referring to the president of Taiwan.

"It's not investing by fundamental analysis, it's by conspiracy theory," said Mr. Lau.

The threat of hostilities with China recently had dragged down investor confidence, but a peace dividend is now being chased.

Chinese military practice games have ceased, and Taipei has canceled war games of its own, adopting a conciliatory stance toward Beijing in the lead-up to Mr. Lee's May inauguration.

Taiwan also said Tuesday it was easing restrictions on visits by Chinese businessmen to try to improve its economic ties with China.

With the coast clear and liquidity pumped up throughout Taiwan's financial system, local investors, who dominate trading, have returned to the stock market, with foreign fund managers buying key stocks in the frenzy.

Investors are betting that the Taiwan government, which created a stabilization fund to buttress stocks during the worst weeks of Chinese intimidation, supports further increases in the market.

Adding to keen demand for Taiwanese stocks, particularly from foreign investors, was a report Morgan Stanley & Co. was considering including the Taiwan market in three widely watched global stock indexes.

"Politically, things are looking pretty good and the central bank keeps pumping money into the system," said one trader with a foreign brokerage in Taipei. "By Taiwan standards, the economic growth had practically ground to a halt. They have to re-liquify the economy."

Political uncertainty took its toll on the local economy as consumers held off on major purchases and new business investment was put on hold, while Chinese missiles splashed down in the seas around Taiwan.

The economy still grew by 6 percent in 1995 despite its domestic difficulties, driven by strong export performances that are expected to continue.

But pressure on the Taiwan dollar because of Chinese threats has limited monetary authorities' scope to reduce interest rates so that an overextended real estate sector and a banking system saddled with bad debts can stage a rebound.

Taiwan's economy and probably its stock market can reasonably expect a good year, if tensions with China do not reignite, analysts said.

But the unpredictable nature of relations with Beijing are likely to temper stock-market gains. "Anyone who says the political difficulties have passed is being unrealistic," Mr. Lau said. "The situation can suddenly turn very tense and no one can really predict it."

Long-term investors need to try to identify stocks with good value and step in to buy them when a downturn in sentiment forces their prices down.

**Taiwan Eases Curbs on Chinese Visitors**

Taiwan said Tuesday it was easing restrictions on visits by Chinese business executives to strengthen economic ties with China, Reuters reported.

The Ministry of Economic Affairs said it would allow Chinese businessmen to attend training courses in Taiwan for up to three months at a time.

Previously, only high-level Chinese businessmen could come to the island for meetings on invitation by Taiwanese companies.

Taiwan banned direct contact with China after a civil war ended in 1949. All trade with and investment in China must be conducted through a third party, often Hong Kong.

## Investor's Asia

Exchange	Index	Tuesday Close	Prev. Close	% Change
Hong Kong Hang Seng	11500	11,033.00	10,948.50	+0.76
Singapore Straits Times	2500	2,401.40	2,384.35	+0.72
Tokyo Nikkei 225	2000	2,350.00	2,333.30	+0.72
Kuala Lumpur Composite	1700	1,167.57	1,160.48	+0.59
Bangkok SET	1300	1,353.69	1,331.02	+1.66
Seoul Composite Index	800	807.73	808.09	-0.04
Taipei Stock Market Index	5000	5,938.22	6,122.46	-3.01
Manila PSE	3000	3,016.83	3,008.80	+0.27
Jakarta Composite Index	600	619.25	613.00	+1.02
Wellington NZSE-40	2000	2,151.03	2,148.33	+0.13
Bombay Sensitive Index	3500	3,503.64	3,548.89	-1.32

Source: Telex

International Herald Tribune

## Very briefly:

• Taiwan's Securities and Exchange Commission relaxed rules on fund-raising by newly established investment-trust companies; the firms, previously allowed to introduce only closed-end funds in their first attempt at raising money, now can introduce either open-end or closed-end funds.

• A Philippine government agency more than doubled its cost estimate, to \$1.5 billion from \$700 million, for a railway linking Manila in a planned international airport 50 miles (80 kilometers) north of the capital.

• Shanghai Yaohua Pilkington Glass Co. will cut prices in 1996 to meet "very tough" competition from other Chinese glassmakers; the company this week reported a 24 percent fall in 1995 earnings.

• Japan's food imports rose 9.3 percent last year from a year earlier, to a record \$51.49 billion, as the nation's total imports rose 22.3 percent, the Japan External Trade Organization said.

• Command Petroleum Ltd. will reduce its stake in SOCO Perm Russia Inc., through which the Australian company holds its interest in the Permian oil-development project in Russia, to 15.87 percent from 18.75 percent.

• Shanghai Petrochemical Co. reported a better-than-expected 42 percent jump in 1995 earnings, to 2.13 billion yuan (\$254.7 million) but warned that higher crude-oil costs could erode its profit margins in the near future, because about 6 percent of the company's crude was influenced by global prices.

• Japan's seven largest makers of aluminum sheet and extruded products reported that production fell 3.5 percent in March from a year earlier, to 138,823 metric tons, but was up 9.5 percent from February.

• PT Lippo Securities' first-quarter net profit more than doubled, to 6.70 billion rupiah (\$2.9 million) from 2.49 billion rupiah a year earlier, as its share of trading on the Jakarta Stock Exchange rose to 9 percent from 7.1 percent.

Reuters, Bloomberg, AFP

# BAe Buys Australian Electronics Maker

Bloomberg Business News

SYDNEY — British Aerospace PLC said Tuesday it had paid 50 million Australian dollars (\$39.5 million) to acquire AWA Defence Industries Pty. of Australia in a move to expand its military business in South East Asia.

The business, bought from AWA Ltd. and Superannuation Funds Management Corp., both of Australia, is mainly involved in making



military-communications and electronic-warfare equipment.

British Aerospace and other defense companies are trying to increase their weapons sales outside Europe now that the end of the Cold War has crimped defense spending. In Australia, BAe is competing for a contract to build 40 Hawk military trainer jets valued at 1 billion dollars for the Royal Australian Air Force.

The AWA unit, based in Adelaide, expects sales of about 150 million dollars in 1996 and has orders totaling 300 million dollars.

## Telstra to Invest in Venture


Telstra Corp. of Australia will take a stake in a communications and data-processing venture owned by International Business Machines Corp. and Lend Lease Corp., according to Lend Lease, an Australian company.

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## INTERNATIONAL

## Clever Marketing, a Concept, or Just Grunge? Meet the Anti-Mall

By Jennifer Steinbauer  
New York Times Service

COSTA MESA, California — Shaheen Sadeghi owns a shopping strip here, where he makes a sweet living providing space to hip stores that cater to shoppers in their 20s.

But he is not really in the retail business, Mr. Sadeghi insists. He prefers to call himself a "conceptualist," responsible for controlling the strip's "vibe."

He has put together an increasingly successful shopping center, known as The Lab, full of cutting-edge tenants, served up in an atmosphere designed to lure a generation disenchanted with the cookie-cutter look and feel of just about every suburban mall in the country.

Do not look for Starbucks Coffee here. There will be no softer side of Sears. Mrs. Fields, that ultimate cookie hawk? Woefully out of touch. Those ubiquitous shops selling leather pants, shimmering first-date shirts or dangling earrings, two for \$5? No way.

Instead, there are more than a dozen stores offering surf wear, authentic plastic Jesus statues, and college-radio CDs, all enclosed by broken walls, ripped up carpet and a do-it-yourself community garden.

And above all, Mr. Sadeghi says, do not call The Lab a mall; it is an "anti-mall."

That is the genius behind Mr. Sadeghi's approach. By targeting a special age group and marketing to that group's perceived set of aesthetic and spending values, he has managed to tap into the most popular form of specialty retailing without appearing to do so.

"They call themselves the anti-mall, but that is just really very clever marketing," said Mark Schoifet, a spokesman for the International Council of Shopping Centers in New York.

It has been very important for malls to differentiate themselves, and niche marketing is becoming more and more important in the shopping center business.

Starting with just a handful of stores,

Mr. Sadeghi opened his anti-mall three years ago in a former military night goggle factory. It is in the heart of conservative Orange County, just down the road from the South Coast Plaza, an archetype of the luxury shopping center.

The anchor, Urban Outfitters, offers the disaffected uniform of Generation X — T-shirts meant to be worn a size too small, howling bags-cum-evening bags, black sunglasses. Tower Records set up a store offering mostly alternative music. (Translation: If the band you are looking for can be found in a magazine pull-out card for a record club, you are in the wrong place.)

Now, there are 16 tenants, with more to come. In addition to the well-known Urban Outfitters and Tower, they have obscure names such as Spanish Fly, where jaded shoppers can find ultracamp plastic Elvis busts and religious kitsch items, and The Closet, which offers clothing for surfing, skating and snowboarding.

There is a comic book store and several small apparel shops. The coffee bar is not a chain, and the restaurant is Cuban.

The anti-mall disdains chrome, skylights and food courts, preferring instead to maintain the warehouse look with exposed steel rods sticking out from the walls and lots of cement.

The space is embellished with paintings and drawings by local artists and ready-made objects, giving it the slightly risqué feel of a squatter den.

"We are approaching this from a very purified point of view," said Mr. Sadeghi, 41, whose background is in designing clothing and surf wear, and who says he started The Lab when he realized that there was money to be made in alternatives to the standard shopping mall.

He combined an undergraduate degree in business, studies at the Pratt Institute and work on New York's Seventh Avenue fashion district to make it happen.

"We like it to have that personal feel," he added. "It's not like a typical mall where everything is real cold and

## Shoppers and Anti-Shoppers

Southern California's anti-mall caters to people who don't look for, or want, the usual fare found at shopping malls. Here is how the tastes differ between those who frequent each type of mall.

	SHOPPING MALL	ANTI-MALL
SHIRT	Gap pocket T-shirt	Retro polyester pullover
SNACK	Mrs. Fields Cookies	Flourless banana muffins
MUSIC	Hootie and the Blowfish	Hole
PREFERRED PLACE TO EAT	Food courts	Outdoor salon with ripped couches
SPECIAL MALL FEATURE	Two places to buy stemware	Two places to buy an Elvis lamp
FAVORITE FUR	Coat	Furry Jesus
TYPE OF PEOPLE	Valley girls carrying bags from The Wild Pair High school jocks cruising Wilson's Leather	Poets in motorcycle boots Surfers in search of gear

The New York Times

you don't know who owns it."

One wall is covered with odds and ends ranging from oil paintings to antique kitchen equipment, and in the center is an open space called The Living Room, where the kind of furniture found at a garage sale has been set up for shoppers to sit and sip their fruit whips by the light of lamps fashioned from old car headlights.

The juxtaposition of a nearby fancy hair salon close to the wall covered with poems and old potato peelers leaves one with the impression that Marcel Duchamp had been enlisted to fix up a Neimarcus.

"I just love this building," Mr. Sadeghi said. "It gives us authenticity, because it is so honest. We just don't have that many old buildings around here." (The building dates from the 1950s.)

With its carefully honed rough edges, The Lab is probably best understood not so much as the antithesis of conventional retailing today but as a quintessential example of the latest trends in marketing.

First there is its size. At 40,000 square feet (3,700 square meters), The Lab fits in with the rise of small malls, the fastest-growing segment of the in-

dustrial. Then, there is its demographic vision. In this age of retail downsizing, retailers are increasingly targeting specific age and socio-economic groups.

Finally, the entertainment angle pulls it all together — rooms to hang out in, live music concerts, interactive offerings like the garden where shoppers are encouraged to plant seeds so they have a stake in coming back to see how they do.

"Its focus on entertainment is the way the whole industry is going," said John Konarski, the vice president of the National Council of Shopping Centers.

"At Bal Harbour, they have entertainment groups too, only it is string quartets. The music and retail space here simply reflects the age and interest that they are going for."

The Lab does not always hit its target age span of 18 to 30. Indeed, the anti-mall's mix of hip stores and Cuban food appears to attract a host of teenagers and a lot of baby boomers tinged with nostalgia for their lost youth. Middle-aged shoppers in Hillary headbands avidly cruise the strip.

Diane Vanderlip, 48, a psychotherapist, said she was thrilled the other day to find an outfit at half price at the CP Shades store here that she spotted earlier

for \$185 at Nordstroms. And the faux-1960s atmosphere made it all the better. "I think it is great here," she said. "I feel like I've stepped into a time warp."

Jared Gibbs, 21, was less enthused. "They have a really good selection of records," he said between sips of a hot drink at the Gypsy Den, the coffee house. "But everything else here is kind of stupid. It seems to me like kids come here to be cool and away from their conservative parents."

Which is fine, in Mr. Sadeghi's estimation. Indeed, in this harsh economic climate, a lot more young people are willing to spend \$20 on a plastic Jesus lamp than they are to splurge for a pricey Versace raincoat over at South Coast Plaza.

The formula seems to be working, even if it has not been perfected.

Mr. Sadeghi said sales average about \$450 a square foot annually, up from about \$250 a square foot when it first opened, which would place it well above most successful strip malls.

He collects about \$2.50 a square foot for rent, which rivals some Los Angeles prices on trendy Robertson Boulevard.

Urban Outfitters' manager, Karen Strafinger, said the store here is "about in the middle" in terms of the sales volume in its 20-odd stores nationwide. The stores range from about 12,000 square feet to 2,000 square feet.

Still, the small stores have experienced a high turnover rate — about three stores a year are replaced. "When we first opened, beads were hot," Mr. Sadeghi said. "Now, it's cigars. We need to turn the excitement of the center. We need to keep introducing new products."

But The Lab also risks finding itself a victim of its own success. "Whenever you niche market, you narrow your audience," Mr. Konarski said. "You have to make sure not to narrow it down too far."

Indeed, for all Mr. Sadeghi's obsession with his own success, "authenticity," young adults are no more unified in their shopping habits than they

are in their voting records or their eating patterns.

Plenty of people in their 20s are just as happy with a skirt or tie from Nordstroms as they are with a fuzzy crop top from Urban Outfitters, which may explain why 43 percent of the anti-mall's shoppers, according to marketing surveys, also frequent South Coast Plaza, the mall down the road.

Further, there is not much within miles of the anti-mall that supports its groovy retail thesis. Down the street is Wahoo's Fish Taco restaurant, a gas station, an affluent area surrounded by sunbys, affluents suggests that an East Village of Southern California in the making. But don't tell that to Mr. Sadeghi, who has harnessed practically the last embodiment of anti-capitalism to his own vision of hip capitalism.

"The whole Cuba thing is really happening right now," he said, standing in the doorway of Havana, The Lab's sit-down restaurant. "There is something really good about Cuba. It is the only place that is really vibrant."

## Tax Refunds Boost Spending

The Internal Revenue Service is providing a \$10.5 billion boost to the U.S. economy by speeding the payment of income tax refunds to early filers this year, Bloomberg Business News reported from Washington.

Many taxpayers who owe the government money typically wait until the April 15 deadline to file their taxes. Of the 67.1 million individual returns processed by the IRS through April 5, however, about seven out of 10 were owed refunds.

The total paid out by that date surged 22 percent to \$57.9 billion from \$47.4 billion in the same period a year earlier, when distribution of refund checks was slowed by a new program aimed at screening out fraudulent returns.

One reason for the spending boom is an increase in the average refund to \$1,245 this year, up from \$1,087 a year earlier.

## NEWS:

## China's Terms

Continued from Page 1

details on the sort of information they publish, how they distribute it, how much they charge and the names and addresses of their clients in China.

The agencies also must provide copies of contracts signed with their clients. Users must apply in writing for permission to receive the information, explaining what data they want, how it will be used and how they will receive it; the state-run agency said.

Xinhua also said it would examine the content of business news as it is released, using equipment that foreign agencies must provide free of charge. It has threatened to shut down any news service that fails to comply with its guidelines on what constitutes acceptable coverage.

"We will probably have no choice but to comply with the new regulations, but we object strenuously to anything that restricts the free flow of information or interferes with our ability to serve our subscribers," said Claude E. Ertson, vice president of The Associated Press and the senior AP executive responsible for the AP-Dow Jones News Service, a joint venture of AP and Dow Jones & Co. Xinhua said the rules, which took effect immediately, had been designed "to safeguard state sovereignty and protect the legal rights of users of economic information inside China."

The regulations apply to foreign news organizations and subsidiaries that publish economic information inside China. The rules also cover providers of economic news from Hong Kong, Taiwan and Macao.

Hundreds of Chinese companies, from state banks to small securities firms, subscribe to foreign wire services for fresh information on market activity worldwide.

Dow Jones reaches many Chinese customers through its Teletext services and through a weekly television show from Shanghai about economics. Other companies that sell economic information here include Reuters, Bloomberg, a Hong Kong-based company called Barteck and a joint venture involving a Taiwan-based company, Insetech, and a subsidiary of China International Trade & Investment Co.

## Silence on Satellites

China Great Wall Industry Corp., China's rocket-launch provider, said it planned no immediate public announcement about a two-day meeting of insurers that ended Tuesday in Beijing, Bloomberg Business News reported.

Representatives of about 30 insurance companies were in Beijing to examine the reasons for a failed satellite launching in February and to decide whether to reinsure China's launch of the Apstar-1A satellite, originally scheduled for March before the February launch failure.

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## WORLD ROUNDUP

### South Africa Wins

**CRICKET** South Africa outclassed Pakistan in the Pepsi Cup cricket tournament Tuesday, crushing its rivals by eight wickets to book a place in the final round. The South Africans have yet to lose a match in the three-nation tournament — the other country is India — being played in the United Arab Emirates of Sharjah.

Pakistan, which swiftly lost wickets against South Africa, scored a meager 188 runs in 45 overs, giving the South Africans an easy task in reaching the target in 33.1 overs for the loss of only two wickets. The opener Andrew Hudson paced the South African victory, hitting his second half-century in the competition and finishing on 93 not out from 85 balls. His knock also included two boundaries and two sixes. (AP)

### England Gets a Warning

**RUGBY UNION** England's attempt to negotiate a separate television deal for future Five Nations championship matches was branded "wholly unacceptable" by tournament officials on Tuesday.

The Five Nations committee, which met Sunday in Dublin, warned England that it faced expulsion from the tournament unless it reconsidered its position and said that a secession could also affect the future of British Lions' tours.

England has said it is entitled to a larger slice of the pie in the new, professional era because it has more clubs and players, and pointed out that France had already negotiated its own television agreement. The committee is to meet again April 27 in Dublin to discuss developments. (Reuters)

Waikato scored three tries to one to beat fellow New Zealand side Otago, 22-5, in a Super-12 rugby union match Tuesday.

The victory, Waikato's fifth in eight Super-12 appearances, lifted the club into third place and boosted its hopes of qualifying for the final series. Waikato has 23 points and is third in the standings behind Auckland and Queensland, which each have 27 points. (AP)

### Surgery for Puckett

**BASEBALL** The Minnesota Twins' outfielder, Kirby Puckett, is expected to have laser surgery to try to lower the pressure in his right eye. Puckett was placed on the disabled list before the season after he experienced blurred central vision in his right eye due to a partial blockage of the blood vessels feeding the retina.

### Spaniards Win in Open

**TENNIS** The Spanish Open lost two of its favorites to unseeded Spaniards on Tuesday. Carlos Rosset of Switzerland lost to Marc Moya, 6-1, 6-4, and Yevgeny Kafelnikov of Russia was beaten by Jordi Burillo, 3-6, 6-1, 7-5. Thomas Muster of Austria is scheduled to play Alex Corretja of Spain on Wednesday. (AP)



Moses Tanui of Kenya, 30, whose time of 2:09:16 won the Boston Marathon. Kenyans took the first five places.

## Pride and Passion in Boston's 100th

By William Gildea  
Washington Post Service

**BOSTON** — As early as 5:30 A.M. in the dark, a great army of competitors began to move across the land, mostly in hives from Boston, toward the green in the nearby rural town of Hopkinton: 29,353 men, 9,221 women, numerous wheelchair entrants and several visually handicapped as well. The average age of the lot: 41.

The 100th running of the Boston Marathon on Monday produced, from its record 38,500 participants, countless displays of courage and an array of global successes headed by Moses Tanui of Kenya, the first man to cross the finish line, and Uta Pippig of Germany, who charged valiantly from behind to win the women's event for an unprecedented third straight time.

The centennial run began at noon and brought out four times the number of competitors in last year's race, including representatives from 77 nations, legends from past Boston runs and little-known joyful celebrants pursuing their own goals. It took 45 minutes for the rear of the pack merely to reach the beginning of the race.

The 30-year-old Tanui, a force in distance running the past five years, gained both inspiration and strength coming down from the challenging climb near Newton known as "Heartbreak Hill." After 22 miles (35.2 kilometers), he put away his runner-up teammate, Ezekiel Biko, in Kenmore Square and went on to finish the 26 miles 385 yards in 2 hours 9 minutes 16 seconds on a sunny, crisp day with a slight head wind. Cosmas Ndeti, the supremely confident three-time defending champion, had to settle for third, good enough for the last spot on Kenya's Olympic marathon squad, which was decided Monday.

Kenyans took the first five spots in the men's race.

"We ran as a team," said Tanui, "but also as individuals."

About 1.5 million spectators lined the route from Hopkinton to Boylston Street in Boston. The throng reserved its biggest welcome for the 30-year-old Pippig, a medical-school graduate who

looked beaten in the hills of Newton. But surprisingly, Pippig, who grew up in East Germany and trains in Colorado, regained a lead she had held briefly after 17 miles and raced home blowing kisses and pumping her fists. She struggled the entire race with an upset stomach.

"I'm amazed I could race with these problems," said a weary Pippig, after being timed in 2:27:12 and crowned with a laurel wreath. "I had these problems two or three weeks ago and they went away. I didn't expect to have so many problems with my stomach today." Summoning all her strength, she rallied from 100 yards back to overtake a diminutive Kenyan, Tegla Loroupe, with just two miles remaining.

It was one of many remarkable feats in the so-called "race of the century." Heinz Frei of Switzerland tenaciously pulled away to win the men's wheelchair race. Jean Driscoll of Champaign, Ill., made it seven Boston victories in seven tries in the women's wheelchair division.

Race day dawned picture-perfect after a miserably rainy Sunday with a welcome sun and crisp temperatures. It also was a day that required patience because so many people were running.

"I'm just going for a nice experience," said a man from Denmark. Others, who were not officially registered, had the same plan; these were the "bandit" runners who would jump into the race, but they turned out to be fewer than the expected several thousand.

At 8:30 A.M., a line of yellow buses stretched for miles along the narrow, tree-lined country road into Hopkinton. Uncomplaining runners waited for hours after being dropped off near Hopkinton High School. A mass of humanity sloped through, or sat out the morning hours, in a Woodstock-like mud of an "athletes' village." Many were wrapped in trash bags; some wore bags over their running shoes to keep them clean.

The elite runners took off at noon. The Kenyans among them surrounded their Ethiopian rival Abebe Mekonnen, the 1989 winner, and boxed him in for much of the first half.

Behind the 100 or so top-notch front-runners came solid blocks of humanity — walking across the starting line, then bobbing, then jogging, finally running. Each individual's time was recorded electronically by a computer chip that each runner had tied to a shoelace. Timing began when the competitor passed a sensor stretched across the road under a mat at the starting line. The chip checked runners' times as they passed over several rubber mats along the route, and as they crossed the finish.

Had the chip existed in 1980, it would have prevented the impostor runner, Rosie Ruiz, who joined the race after 25 miles, from claiming a victory from which she was disqualified a week later.

In the 100th, everyone who poured across the finish line had run the distance — and most looked it. It was a foot race, and then some. It was a long day of quiet accomplishment by the unsung, who kept on running well into the evening.

Uta Pippig of Germany, women's winner for the third straight year.

## For Panathinaikos, Revenge Is the Goal

### Champions' Challenge for Ajax

**LONDON** — Is Ajax of Amsterdam, the team of its generation, facing premature burnout?

The funeral pyre, in the form of terrace fires, will be lit in anticipation of the fall of Ajax in Athens on Wednesday night. The flames are a Greek habit, but the accompanying fervor from 73,000 Panathinaikos fans will examine to the very limits the resolve of the young Dutchmen to hold onto their European Champion's title.

Burn, Ajax, burn will be the message. Athens' Olympic Stadium, a cauldron at any time, will be whipped into a fanatical trial because Panathinaikos senses

an adolescent, has exceptional movement and astonishing precocity. But he has not yet shown the calm finishing touch of Klauvert, the match-winner.

And so through the team, doubt is sewn. Louis van Gaal has a school master's grip on his charges, but he cannot run for them, cannot teach boys sated by success to stay excited by every challenge, or stay undaunted by the mass of Athenian voices Wednesday.

And yet, having seen Ajax improvise its way superbly to a 2-0 victory over Borussia Dortmund in a similarly partisan German arena in the last round, I still think van Gaal is bluffing when he makes pessimistic sounds. I still think the champion team can turn adversity to its own inspiration.

It will take toughness and patience. Panathinaikos is not a typical Greek team. Its goalie, Jozsef Wondzik, hails from Poland and is the last line of a defense so stubborn it has conceded a miserably four goals in 11 European games this season.

Its midfield is guided by Juan Jose Borelli, from Argentina. And its swift runners, notably the coveted winger Giorgos Donis, serve another foreigner, Krzysztof Warzycha, who strikes like a serpent. His flickering goal in Amsterdam was the sixth time Warzycha has scored from Panathinaikos's total of 13 goals.

So the team knows how to keep games tight, know how to frustrate more gifted opponents. Its paymaster, the shipping magnate Giorgio Vardinoyannis, can use words as deceptively as van Gaal.

"It's not a business," president Vardinoyannis said. "Football is a love and cannot be translated into money." Nevertheless, he tries: his Panathinaikos players accepted 7 million drachmas a man (\$18,000) for reaching the Champions League stage of this competition, and strive for an even more generous bonus of \$75,000 each to reach the final May 23 in Rome.

There, the opponent is likely to be Juventus of Turin. Already two goals up after the first leg, Juventus showed its priority by virtually abandoning Italy's Serie A in a three-goal surrender last Saturday against Sampdoria.

Juventus thus threw away six weeks' work, six consecutive Serie A victories, because its players' minds were concentrated on the big one, the Champions' Cup. They were conserving their effort for the second leg of the semifinal in Nantes on Wednesday, buoyed by the depletion of Nantes, which will try to make up the deficit without three suspended men.

So the affair in France is unequal. A pity, because French soccer is having such a season of renaissance that Bordeaux reached Tuesday's UEFA Cup, Nantes the Champions Cup semifinal and Paris-Saint-Germain is favored to beat Deportivo La Coruna in the Cup Winners' Cup semifinal second leg on Thursday.

But the hottest test will be in Athens, not just for Ajax but for the Madrid referee, Jose Garcia-Aranda Encinar, who must try to ensure that all is fair and equal on the field of play.

Rob Hughes is on the staff of the Times of London.

## A Bright Hope of U.S. Cycling

By Samuel Abt  
International Herald Tribune

**ROUBAIX, France** — George Hincapie had just finished the Paris-Roubaix bicycle race, which was more than 130 of the 183 other starters could say, but he was obviously unhappy. The thick coating of dust on his face could not hide his disappointment.

"I didn't have it in my legs when I needed to," said Hincapie, a bright young hope of American racing. "No mechanical problems, nothing went wrong with my equipment." He leaned his bicycle against his Motorola team car and started to head for the showers at the finish Sunday of the 263.5-kilometer (164-mile) race, which is studded with 22 strips of cobblestones that total 50 kilometers.

"The power just wasn't there," he said mournfully. Twenty-ninth last weekend, 21st in Paris-Roubaix last year, 31st the year before — Hincapie was showing consistency at least. But, as the native New Yorker nears his 23d birthday in June, he is seeking more than consistency among those riders who finish five or seven minutes behind the winner.

Especially in Paris-Roubaix, one of the oldest and most prestigious races in the World Cup series of one-day spring and fall classics.

"It's something I really get motivated for," Hincapie said earlier in an interview in Compiegne, north of Paris, where the endurance race begins. "Now that I've done Paris-Roubaix a few years, I know that even if you have good legs, you need good luck too. I know that I'm feeling well and I have to hope that everything goes right."

For a while Sunday, everything went right. When the decisive attack by 21 riders began two-thirds of the way into the race, Hincapie was among the group. He could not hold his place, however, at the next attack and fell behind as the lead group splintered.

That was frustrating but not unexpected. "I'm not yet as strong as Museeuw, Ballerini or guys like that," he said beforehand, referring to Johan Museeuw, who won the

race, and Franco Ballerini, the defending champion, who finished fifth this time.

Despite his record as a dominant amateur rider in the United States from 1991 through 1993, Hincapie has had to work hard to build the strength he needs as a professional in Europe. At 6-foot-3 inches (1.91 meters) tall, he weighs only 185 pounds (83 kilograms), including the goatee he sometimes sports.

He recorded two victories last year after three in 1994 and a second-place finish in the Tour of Luxembourg. For his age, his prospects seem bright and his dedication is unquestioned.

"I did a lot of work over the winter, weight training, more serious, more intense training," he said. "I trained hard the winter before that too but when I came over to Europe, I got sick early and that's hard to bounce back from."

**PARIS-ROUBAIX** was his first major objective of the season. Next comes the Tour DuPont in the United States and then the five races to select the five-man U.S. team for the road race at the Olympic Games in Atlanta.

In many of his races in Europe, he rides mainly as a domestique, a worker bee for Motorola's two strongest men, Lance Armstrong and Max Sciandri. "It depends what race I'm doing. In Paris-Nice, I knew I was just there to help. In the Tour of Flanders, I had to do a little work for the team."

"In one section, Lance got bad position, one group got away and I had to close that gap. It took me a while to recover from that. I was in the red zone for a while."

"But that's something you've got to do and that's something I want to do because Lance had a chance to win the race. When you've got someone like Lance or Max on the team, you've got to give them everything. I know that's my job. They're two of the best in the world."

"But in Paris-Roubaix, I consider myself one of the guys who should be up there. Maybe also in some stages of the DuPont, maybe I'll be up there and the other guys will help me out. I feel strong. I'm happy with the way I've felt up to now."

## White Sox Almost Botch 10-Run Lead

The Associated Press

When a wistful thought crossed Terry Bevington's mind a couple of days ago, the Chicago White Sox's manager had no way to foresee the extraordinary events about to unfold.

"What we'd like to do is get a 10-run lead and then just cruise in from there," Bevington said Saturday after

### BASEBALL ROUNDUP

The White Sox rallied for three runs in the ninth inning before putting Oakland away in the 12th.

Just 48 hours later, the White Sox got their 10-run lead, but not their cruising. Powered by Frank Thomas' home run and Ray Durham's bases-loaded triple, Chicago led Kansas City 10-0 after 1½ innings Monday night.

Three hours later, thwarting what would have been the biggest comeback from behind in the Royals' history, the White Sox escaped, 11-10, when Ozzie Guillen doubled home the tie-breaking run in the ninth.

"What this did was save us from a very bad night," said Guillen, adding that he knew the White Sox were in for a battle when the Royals scored six in the second inning.

**Blue Jays 8, Tigers 2** In Toronto, Juan Guzman pitched a six-hitter and Charlie O'Brien matched a career high with four RBIs. Guzman (2-1) also matched a career high with 11 strikeouts.

O'Brien, signed as a free agent in the off-season, hit a three-run homer and added an RBI double as the Blue Jays ended a three-game losing streak. Melvin Nieves had three of Detroit's five hits and Mark Parent drove in both of the Tigers' runs.

**Athletics 6, Rangers 3** Oakland



The Tigers' Mark Lewis waiting for the throw as the Blue Jays' Alex Gonzalez steals second base.

scored five runs with two outs in the seventh inning as Oakland handed Texas its first home loss this season.

The A's broke open a 3-3 game as seven straight batters reached base, five on hits and two on walks. Pedro Munoz ignited the rally with an RBI double.

Terry Steinbach homered for Oakland. Mickey Tettleton hit his third homer for the Rangers.

**Mariners 11, Angels 10** In Seattle, Jay Buhner's bases-loaded single in the eighth inning completed Seattle's highest comeback in club history.

The Mariners trailed 9-1 after 3½ innings before rallying to win the first regular-season game between the teams since last Oct. 2, when Seattle won the AL West title, with a 9-1 victory over California in a one-game playoff.

**In National League games Monday:** Cardinals 6, Pirates 4 Ron Gant homered, doubled and drove in four runs as host St. Louis beat Pittsburgh for its fifth victory in six games.

Gant had an RBI double in the first inning and hit a three-run homer in the third, his fourth, off John Erickson (0-2).

The homer staked the Cardinals' rookie starter Alan Benes (2-0) to a 5-1 lead. But the right-hander struggled, allowing four runs and seven hits with seven strikeouts in 5½ innings.

Rick Honeycutt struck out three of the last four batters for his first National League save in over 10 years. Pittsburgh has lost five of its last seven.

**Reds 3, Cubs 2** In Chicago, Barry Larkin homered with one out in the 10th inning for Cincinnati. Larkin drove a 1-1 pitch from Bob Patterson (1-1) into the left-field bleachers for

his third home run.

Cincinnati's starter, Dave Burba, struck out a career-high 11 in seven innings, but left with the game tied 2-2 and did not get a decision.

Eddie Taubensee and Hal Morris each went 3-for-5 for the Reds, who won their third straight.

**Rockies 11, Padres 9** In Denver, Dante Bichette hit a two-run homer in the eighth inning, his first this season, as Colorado rallied from five runs down. Bichette, who led the National League with 40 homers last season, hit the first pitch from a former teammate, Willie Blair (0-2) for a home run and gave the Rockies a 10-9 lead. Andres Galarraga and Vinny Castilla then hit consecutive doubles to make it 11-9.

Bichette went 4-for-5 with four RBIs for the Rockies, who trailed 9-4 in the fourth inning.



## SPORTS

# Sonics Blast Rockets

## Pacers Triumph Without Miller

The Seattle SuperSonics aren't going to brag about what they've done to the Houston Rockets in the regular season until they do what the Rockets have done in playoffs in the past.

Gary Payton scored 31 points and got three of his six steals in the final 73 seconds, helping the host SuperSonics, who have clinched the Pacific Division, to a 112-106 victory Monday night — their ninth in a row against the Rockets.

"We're going to try and stay balanced," Seattle's coach, George Karl, said. "Not too happy when we win, but not too down when we lose."

While Seattle hasn't lost to the Rockets in the regular season since March 10, 1994, the Sonics have made early exits from the playoffs the past two seasons while the Rockets racked up two National Basketball Association titles.

"After the last two years, there has been a lot of pressure on everybody," Karl said. "We've got to jump some hurdles and overcome some things."

They seem to have found the secret of beating the Rockets, who lost for the first time in four games since Hakeem Olajuwon was returned to the lineup after sitting out with tendinitis in both knees.

Payton was "unbelievable," Karl said. "I haven't seen him that alive in a long time. Defensively, he was a huge factor and offensively, he was our No. 1 option."

The loss ended Houston's pursuit of the Los Angeles Lakers for the No. 4 playoff spot and the home-court advantage in the first round of the playoffs. The Rockets trail the Lakers by 4½ games with three games to play.

Clyde Drexler led Houston with 26 points and Olajuwon had 25. Sam Cas-

sell added 23 for the Rockets. Olajuwon blocked two shots to give him 3,184 for his career, just five shy of Kareem Abdul-Jabbar's NBA record. Shawn Kemp scored 27 points for the Sonics.

Kastela 123, Napione 79 New York came within two points of matching a franchise record for largest victory margin with a rout of visiting Toronto.

Patrick Ewing scored 23 points and John Starks added 19 for the Knicks, who shot 57 percent from the field.

The 46-point margin was two short of the team record, which has been done three times, most recently against Philadelphia on April 21, 1994.

Acie Earl, who scored a career-high 40 points last week against Boston, led the Raptors with 25 points.

Heat 110, Nets 90 Miami, scrapping for the final playoff berth in the Eastern Conference, held the visiting New Jersey Nets scoreless during a seven-minute stretch.

The victory was the fourth in a row for the Heat, which began the night tied with Charlotte in the race for the eighth playoff slot in the conference.

Alonzo Mourning scored 20 points to lead his double-figure scorers for the Heat, which shot 55 percent from the field.

Pacers 90, Hornets 87 Indiana's reserves took the sting out of Reggie Miller's absence and dealt a big blow to Charlotte's playoff hopes.

With Miller resting, a day after surgery on his fractured eye socket, the Pacers rallied from a 19-point deficit in the second quarter to beat the Hornets in Indianapolis. The victory clinched the third playoff seed in the Eastern Conference for the Pacers.

Kings 90, Nuggets 88 In Denver, Mitch Richmond scored all 17 of his points in the second half, including two baskets in the final 1:10, as Sacramento eliminated the Nuggets from the playoffs.



The Rockets' Hakeem Olajuwon defending against the Sonics' Shawn Kemp.

Olden Polynice had 25 points and 17 rebounds for the Kings, who avenged a loss in the final game of last season that knocked them out of the playoffs and put Denver in Antonio McDyees got 19 for Denver.

Trail Blazers 121, Spurs 97 Arvidas Sabonis fought his old Olympic foe David Robinson to a virtual standoff as host Portland remained hot with a victory over San Antonio.

The Blazers blew the game open in the final quarter, sending the Spurs to their most one-sided loss of the season. Sabonis had 22 points and nine rebounds, then sat out the fourth quarter, as Portland clinched the No. 6 spot in the Western Conference. The Blazers have won 11 of their last 12.

Robinson had 13 rebounds and 25 points, including 15 of 19 from the line for San Antonio.

# Open Season on Refs

The look on Magic Johnson's expressive face when his Laker teammate, Nick Van Exel, ran over to the referee, Ron Garretson, and knocked him across the scorer's table two weeks ago was the same look many had who were watching from the stands or on television. Johnson's face was a portrait of amazement, of shock, that seemed to say: I can't believe it! Players don't physically attack a referee!

Indeed, it was the same look many had Sunday afternoon when Magic Johnson — the esteemed, beloved elder statesman-superstar — ran over to the referee, Steve Foster, and bumped him with his chest in a nationally televised game against the Phoenix Suns.

Like Van Exel — and like Dennis Rodman, who last month head-butted referee Ted Bernhardt after a dispute — Johnson was properly thrown out of the game.

Rodman received a six-game suspension and a fine of \$20,000. Van Exel's punishment was a seven-game suspension and an NBA-record \$25,000 fine. On Monday, the league announced that Johnson has been suspended for three games and fined \$10,000. The suspensions are without pay, and in Johnson's case that means \$30,487.80 a game.

But while Magic's punishment seems consistent with the others, the wrongdoings are too great to be let off so lightly. In the future, the league should establish that punishment in such incidents will include suspension from playoff games. The punishment should really hurt — not just in the wallet.

Like Van Exel and Rodman, Johnson tried at first to put a spin on the

incident, saying that the referee "bumped into me." After seeing the replay, he changed the story to, well, "It wasn't intentional contact."

He said he was protesting a no-call after he believed he was fouled on a shot he had tried. He said the referee had an obligation to explain the no-call to him as the captain of the team. He said he was just trying to get the referee's attention. But he didn't tap the ref on the shoulder. He didn't call or wave to him. He hit him with obvious intent to intimidate.

Any time that Magic Johnson does anything less than please the aesthetic, the intellectual, the spiritual senses of the fan, it is an aberration. No one in the history of the game has given fans more joy by his attitude and perseverance than Earvin Johnson. But he was dead wrong Sunday, and he admitted as much — though with limp explanation — after seeing the replay.

The grave problem is that if Magic, the cool veteran and former coach, can pop a ref, even a little bit, and come away with a slap on the wrist, what message does this send to the young, wealthy, devil-may-care, live-for-the-moment, crotch-grabbing over-enthusiasts around the league?

Do the referees need police protection on the court? Should a requirement for the job be a black belt in karate? Must they, like some referees in an earlier day, check before the game to see which window in the dressing room is unlocked in case they have to make a hasty exit?

Any kind of physical abuse of the referee ought to be treated by the league in the most serious manner. It is an urgent problem on the verge of becoming a trend. And it contains the seeds of the destruction of the game.

# SCOREBOARD

## BASEBALL

### MAJOR LEAGUE STANDINGS

#### AMERICAN LEAGUE

##### EAST DIVISION

	W	L	Pct.	GB
Baltimore	9	2	.818	—
New York	6	4	.600	2½
Detroit	7	7	.500	7
Toronto	4	6	.400	10
Boston	2	10	.167	17½

##### CENTRAL DIVISION

	W	L	Pct.	GB
Cleveland	6	5	.545	—
Minnesota	5	6	.455	1
Chicago	4	6	.400	2
St. Louis	4	7	.364	3
Kansas City	4	8	.333	4

##### WEST DIVISION

	W	L	Pct.	GB
Seattle	9	4	.682	—
Texas	8	4	.667	½
Oakland	6	6	.500	2½
California	5	7	.417	3½

#### NATIONAL LEAGUE

##### EAST DIVISION

	W	L	Pct.	GB
Montreal	7	5	.583	—
Atlanta	6	6	.500	1
Philadelphia	5	6	.455	1½
New York	4	7	.364	2½
Pittsburgh	4	9	.303	3½

##### CENTRAL DIVISION

	W	L	Pct.	GB
St. Louis	8	5	.615	—
Cincinnati	6	5	.556	1
Chicago	6	6	.500	1
Pittsburgh	6	6	.500	1
Houston	5	8	.385	3

##### WEST DIVISION

	W	L	Pct.	GB
San Diego	8	5	.615	—
San Francisco	7	5	.583	½
Los Angeles	7	7	.500	1½
Colorado	6	6	.500	1½

#### HOUSTON'S LINE SCORES

	W	L	Pct.	GB
Cleveland	230	883	.208	11
Seattle	600	890	.404	2
McDonald	800	890	.404	2
McDonald	800	890	.404	2
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## NATIONAL LEAGUE LEADERS

### 40+ 2B

#### STRIKEOUTS—Smalls, Atlanta, 29

#### SAVES—Jaramila, Cincinnati, 5

#### WALKS—Banks, Cleveland, 4

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